

NATION'S BUSINESS

PROPOSED-OVERPASS
TO BE CONSTRUCTED AT INTERSECTION
OF WARWICK BOULEVARD & REED AVENUE



OCTOBER • 1933 NRA and the Community—William Green on the
Union's View—The Crucial Question of Price

PUBLISHED BY THE CHAMBER OF COMMERCE OF THE UNITED STATES



use **LONG DISTANCE**

**IT AVOIDS EXPENSIVE DELAYS, PREVENTS
MISUNDERSTANDINGS . . . AND GIVES
YOU DEFINITE, PROFITABLE RESULTS**

Here are 10 reasons why:

- 1** From millions of fellow-Americans, you can single out the exact individual you want to do business with, and be in almost instant spoken communication with him.
- 2** The opportunity to discuss things back and forth often brings deals to a quick conclusion which otherwise might drag on for weeks or never be completed at all.
- 3** By telephone, you can scout out those markets which are changing for the better and concentrate sales efforts there, without neglecting other territories.
- 4** In making purchases, you can not only be certain that you are getting the best prices obtainable, but that delivery dates will also be satisfactory.
- 5** You can use Long Distance to gather quickly from many points the up-to-the-minute information you need to make important decisions.
- 6** By making telephone appointments in advance, you and your representatives can be sure that the men you want to visit personally are available, and that your trip will not be wasted.
- 7** You can guard against production interruptions by using Long Distance to insure a steady flow of necessary raw materials.
- 8** A telephone conversation minimizes the possibility of misunderstandings; and very often it brings conflicting viewpoints into agreement.
- 9** Handling orders by Long Distance provides the swift service your customers appreciate so much, in these days of depleted stocks.
- 10** Many companies say a courteous Long Distance call is the best method they have discovered for collecting on delinquent accounts.

What prominent concerns say:

Pillsbury Flour Mills, Inc.: "We consider our Long Distance telephone bill one of the best investments we make."

Norge Corporation: "Today, more than ever, we frankly recognize the value of Long Distance."

Champion Coated Paper Company: "We added the telephone to our sales force, and ran our plants to capacity."

National Biscuit Company: "Long Distance is essential to intelligent buying."

Skelly Oil Company, Minneapolis division: One month's telephone sales totaled \$293,080, at a telephone selling cost of less than $\frac{1}{2}$ of 1%.

Consolidated Products Company: Yearly sales up 6%, sales costs down 10%, because of telephone selling plan.

TYPICAL STATION-TO-STATION RATES

<i>From</i>	<i>To</i>	<i>Day- time</i>	<i>7 P.M.</i>	<i>8:30 P.M.</i>
Boston	Albany	\$.30	\$.70	\$.50
New Orleans	Atlanta	1.95	1.65	1.10
St. Louis	Cleveland	2.05	1.75	1.15
New York	Minneapolis	3.75	3.00	2.00
San Francisco	Chicago	6.75	5.50	4.00

Where the charge is 50 cents or more, a federal tax applies as follows: \$50 to \$99, tax 10 cents . . . \$1.00 to \$1.99, tax 15 cents . . . \$2.00 or more, tax 20 cents.



Which of these 77 BEST-SELLERS

Formerly \$2.50 to \$5 Do You Want

Now You Can Own Many of the
GREATEST BOOKS of Modern Times at one-half to one-fifth
Their Original Price . . .

Imagine getting great books you have always wanted to read and own—books like "The Outline of History," "Marriage and Morals," "Napoleon," "The Human Body," "Rasputin," "The Conquest of Fear" and OTHER \$2.50 to \$5.00 Best Sellers for ONLY ONE DOLLAR EACH! And you may EXAMINE as many of them as you wish—FREE—for 5 DAYS before deciding whether you wish to buy them! Check this list NOW. Select the titles you want—and SEND NO MONEY with the coupon below. Which shall we send to you? . . .

1. THE CARE AND HANDLING OF DOGS—J. L. Leonard. How to select, mate, train, rear 159 breeds. Care of puppies, diets, baths, exercise, housebreaking, obedience, with children, etc. Complete quick index. 35 photos. Formerly \$2.50
4. GEORGE SAND: The Search For Love—Marie Jenny Howe. Biography of the extraordinary woman who smoked cigars, loved Chopin, lived too soon. Formerly \$5.00
7. A BOOK OF OPERAS—Henry E. Krehbiel. Formerly \$2.50
8. RAIDERS OF THE DEEP—Lowell Thomas. Incredible adventures of U-Boat men. Restless battles under water. Formerly \$2.50
10. UNDERSTANDING HUMAN NATURE—Alfred Adler. Prof. of Psychology, Univ. of Vienna, offers key to our actions, thoughts and sins. Formerly \$3.00
13. CLEOPATRA—Claude Ferval. Story of most alluring and fascinating woman in all history. Her beauty conquered emperors. Formerly \$2.50
15. IN BRIGHTEST AFRICA—Carl E. Akeley. He killed a tiger bare handed. Formerly \$2.50
17. THE STORY OF RELIGION—Charles Francis Potter. Tells true story of all faiths. Formerly \$5.00
19. THE OUTLINE OF HISTORY—H. C. Wells. This masterpiece of all time now complete in one volume. New and revised. Includes maps, charts, illustrations, diagrams, &c. 1,200 pages. Unabridged. Formerly \$6.00
21. RECOLLECTIONS AND LETTERS OF GENERAL ROBERT E. LEE—Capt. Robert E. Lee. Formerly \$5.00
23. ASTRONOMY FOR EVERYBODY—Prof. S. Newcomb. New edition, completely revised. Formerly \$2.50
24. AMONG THE NOBLES—Dr. Frances and Mason Merrill. Frank answers to questions Nudism has raised. Intimate experiences of young American man and woman who tried it. Tells truth about motives, mixed companions, effects on modesty, health and emotions. 22 unchanging photos. Formerly \$3.50
28. THE NATURE OF THE WORLD AND OF MAN—Edited by H. H. Newman. Biography of Universe. Stars, earth, bacteria, plants, reptiles, mammals, Man. 562 pages, 136 illus. Formerly \$4.00
29. A SECOND BOOK OF OPERAS—Henry E. Krehbiel. The more modern operas—Samson and Delilah, Pagliacci, Butterfly. Formerly \$2.50
30. HOW TO WRITE LETTERS—Mary O. Crowther. Complete guide to personal, business letter writing. Formerly \$2.00
31. MARRIAGE AND MORALS—Bertrand Russell. Straight thinking in sex ethics. Formerly \$3.00
33. FAERY LANDS OF THE SOUTH SEAS—Hall and Nordhoff. After living native for two years, authors preserve spell of most romantic corner of earth. Formerly \$4.00
34. VAGABONDING DOWN THE ANDES—Harry A. Franck. Three years amid beauties of nature, exotic native customs. Formerly \$5.00
35. QUETTE—Lillian Eichler. Famous guide to social usage bought by 500,000 readers! Formerly \$4.00
36. BIRD NEIGHBORS. Friendly acquaintance with 150 songsters, trillers, fighters. Gives quick identification. Formerly \$5.00
37. AUTOBIOGRAPHY OF BENvenuto CELLINI—Translated by J. A. Symonds. Amazing artist, lover, duelist. New edition, illustrated, unexpurgated.
43. THE STORY OF THE WORLD'S LITERATURE—John Macy. Formerly \$5.00
44. VAGABOND JOURNEY AROUND THE WORLD—Harry A. Franck. "Prince of Vagabonds" proves man can circle globe without money, weapons or baggage. Formerly \$4.00
46. THE STORY OF MANKIND—Hendrik Willem van Loon. Famous history of world with 188 illustrations in author's unique manner. Formerly \$5.00
49. KEEPING MENTALLY FIT—Joseph Jastrow. Psychology guide for average reader. Formerly \$3.50
50. SIX YEARS IN THE MALAY JUNGLE—Garveth Wells. Sheer excitement, humor, in astonishing animal and native life. Formerly \$3.00
53. FAMOUS TRIALS OF HISTORY—Lord Bickenhead. Formerly \$4.00
54. UNDERSTANDING THE STOCK MARKET—Allison Cragg. Simple yet thorough explanation of stock market operation and brokers. Guide for both layman and experienced. Formerly \$2.50
55. THE CONQUEST OF FEAR—Basil King. He helped 100,000 to conquer fear, of illness, loss of income, or abnormality. Formerly \$2.00
57. MEET GENERAL GRANT—W. E. Woodward. Finest biography of Grant, clearest picture of Civil War yet written. Formerly \$5.00
58. LEGION OF THE DAMNED—Bennett J. Dory. Amazing inside story of French Foreign Legion by an escaped member. Formerly \$3.00
59. THE BOOK OF WOODS—Ernest Thompson Seton. Handbook of outdoor lore. Formerly \$2.00
60. THE CONQUEST OF HAPPINESS—Bertrand Russell. Strips shams from "sin," fear, love, living. Formerly \$3.00
61. THE OMNIBUS OF CRIME—Dorothy L. Sayers. 62 thrilling stories of mystery, crime, horror, by world-famous authors. 1,177 pages, unabridged. Formerly \$5.00
62. MY LIFE—Isadora Duncan. Frank autobiography of great, eccentric dancer, "with-out reticence or apology." Formerly \$5.00
65. THE ROYAL ROAD TO ROMANCE—Richard Haliburton. Reckless young romanticist in glamorous corners of the world. Formerly \$5.00
67. HENRY THE EIGHTH—Charles Hackett. Brilliant story of lusty royal bluebird and his six wives. Formerly \$3.00
69. SEX IN CIVILIZATION—Calverton and Schmalhausen. Introduction by Havelock Ellis. 30 authorities take taboos out of sex. Formerly \$6.00

70. THE LAST HOME OF MYSTERY—E. Alexander Powell. Amazing adventures in mysterious Nepal. Daring disclosures of social customs, shocking "religious" depravity. Formerly \$4.00
72. THE DOCTOR AWAY—Irvin S. Cobb. Inexhaustible fund of funny stories for longest, loudest laughs. Formerly \$2.50
74. OSCAR WILDE, HIS LIFE AND CONFESSIONS—Frank Harris. Genius who died in poverty and shame because of nameless vice—hideous then, understood and pitied now. Formerly \$2.75
75. PHILOSOPHY OF LIFE—Anderson M. Baten. Life's gems in literature since Confucius. Formerly \$5.00
76. POWER AND SECRET OF THE JESUITS—Rene Fulp-Miller. Full history of powerful society through the Inquisition to today. Formerly \$5.00
77. QUEEN ELIZABETH—Katharine Anthony. Amazing career of Virgin Queen who built an empire, died of heartbreak. Formerly \$4.00
81. TOMSTONE—Walter M. Burns. Thrilling history of

for only

\$

EACH

103. THE BUSINESS ENCYCLOPEDIA. Important facts, tables, statistics, laws, for office and home. Formerly \$5.00
104. COUNT LUCKNER, THE SEA DEVIL—Lowell Thomas. Gallant adventurer who sank 14 ships without loss of a single life. Formerly \$2.50
107. MY STORY—Mary Roberts Rinehart. Story of life more thrilling than her own novels. Formerly \$2.50
108. RASPUTIN THE HOLY DEVIL—Rene Fulp-Miller. Mad monk who hypnotized Czarina; turned religion to seduction. Formerly \$5.00
110. MEMOIRS OF CASANOVA—Mastaglio. Masterly lover of many, he broke few hearts, unex-

123. MORGAN THE MAGNIFICENT—John K. Winkler. Frank life of "J. P."—American who ruled world. Formerly \$3.50

124. STRATEGY IN HANDLING PEOPLE—Webb and Morgan. "Key" method used by successful men to sway others, reach ambition. Was \$3.00

125. KIND—Lillian Eichler. Habits, customs, superstitions since cave man age. Thousands of facts. Formerly \$6.00

129. BRITISH AND AMERICAN VERSE—Preface by Christopher Morley. Popular, comprehensive anthology of classical and modern poetry. Indexed 240 poets, 588 poems, 800 pages.

130. GREAT MEN OF SCIENCE—Grove Wilson. 28 absorbing biographies of immortals like Newton, Pasteur, Darwin. Formerly \$4.00

131. REMBRANDT, R. V. R.—Hendrik Willem van Loon. Masterly panorama of 17th century life. Formerly \$5.00

133. THE STORY OF MONEY—Norman Angell. Clearly explains gold standard, paper money, banks, stocks, Federal Reserve, inflation, &c. Formerly \$5.00

134. LA GONAVE—Wirkus and Dudley. Amazing story of sergeant of U. S. Marines who was crowned, with Voodoo rites emperor of a black republic. Formerly \$3.00

135. MANY LAUGHS FOR MANY DAYS—Irvin S. Cobb. 365 prescriptions to drive away blues. Inimitably told by "America's Beloved Humorist." Formerly \$2.50

142. OF HUMAN BONDAGE—W. Somerset Maugham. Perhaps the greatest autobiographical novel of our century. A rich reading experience. Formerly \$2.50

150. CAKES AND ALE—W. Somerset Maugham. Brilliant, satiric, hauntingly real story of modern manners and morals for mature readers. Formerly \$2.50

153. SCIENCE OF EATING—Alfred W. McCann. Great book by internationally recognized food authority now in its 60th thousand! Tells how to insure vigor, strength and health in infancy, youth and age. Formerly \$3.00

161. ON GOING NAKED—Jan Gay. Adventures of a young American woman who turned from private to public practice of nakedness. Amusing, instructive. Over 50 illus. Formerly \$2.00



bad men. True picture of the "Wild West" that is gone. Illustrated by Will James. Formerly \$3.00

85. GENGHIS KHAN—Harold Lamb. Terror of civilization, conquered half the known world. Formerly \$5.00
88. NAPOLEON—Emil Ludwig. Thrilling rise and fall of lover, warrior, Emperor of all Europe. One of the great books of modern times. Formerly \$3.00

89. HOW TO LIVE—Arnold Bennett. Eminent author charmingly records his rules, impressions, philosophy of successful living. Formerly \$2.50

90. ABRAHAM LINCOLN—Lord Charnwood. Best known, most authoritative biography. Formerly \$5.00

92. DISRAELI AND GLADSTONE—D. C. Somervell. The complete story of England's great statesmen. Formerly \$5.00

93. CREATIVE CHEMISTRY—Edwin E. Slosson. Wonders of modern chemistry made fascinating to non-technical reader. Formerly \$5.00

99. THE DOCTOR LOOKS AT LOVE AND LIFE—Joseph Collins, M.D. Dangers and results of sex ignorance. Formerly \$3.00

102. PEARL DIVER—Berge and Lanier. True adventure beneath the sea. Exciting

111. THE SON OF MAN: THE Story of Jesus—Emil Ludwig. Powerfully beautiful biography. Formerly \$3.00

112. INDIA: LAND OF THE BLACK PAGODA—Lowell Thomas. Luxury, squalor—sanity, sensuality—wisdom, ignorance. Formerly \$5.00

117. TAMERLANE, THE EARTH SHAKER—Harold Lamb. Ruler of the East when Europe was only a province of Asia. Formerly \$4.00

118. THE HUMAN BODY—Logan Clendening, M.D. Stop worrying about yourself! The truth about weight, diet, habits, "nerves," "heart trouble," debunked of fads. 102 startling pictures. Formerly \$5.00

120. MODERN COOK BOOK. 2,500 tested recipes, special menus diets; over 1,000 pp. Was \$2.50

122. CONTRACT BRIDGE FOR AUCTION PLAYERS—Ely Culbertson. Standard book for every player—beginner, average, or advanced.

126. GARDEN CITY PUBLISHING COMPANY WE DO OUR PART Dept. 6710, Garden City, N. Y.

- Please send me the STAR DOLLAR BOOKS enclosed below. I will either send you within 5 days \$1 plus 10c postage for each volume or I will return the books without being obligated in any way. (Encircle numbers of books you want.)

- | | | | | | | | | | | | | | |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----|----|----|-----|
| 1 | 4 | 7 | 8 | 10 | 13 | 15 | 17 | 19 | 21 | 23 | 24 | 28 | 29 |
| 30 | 31 | 33 | 34 | 35 | 36 | 37 | 43 | 44 | 46 | 49 | 50 | | |
| 53 | 54 | 55 | 57 | 58 | 59 | 60 | 61 | 62 | 65 | 67 | 69 | 70 | |
| 72 | 74 | 75 | 76 | 77 | 81 | 85 | 88 | 89 | 90 | 92 | 93 | 99 | 102 |
| 103 | 104 | 107 | 108 | 110 | 111 | 112 | 117 | | | | | | |
| 118 | 120 | 122 | 123 | 124 | 125 | 129 | 130 | 131 | 133 | | | | |
| 134 | 135 | 142 | 150 | 153 | 161 | | | | | | | | |

Name.....

Address.....

City and State.....

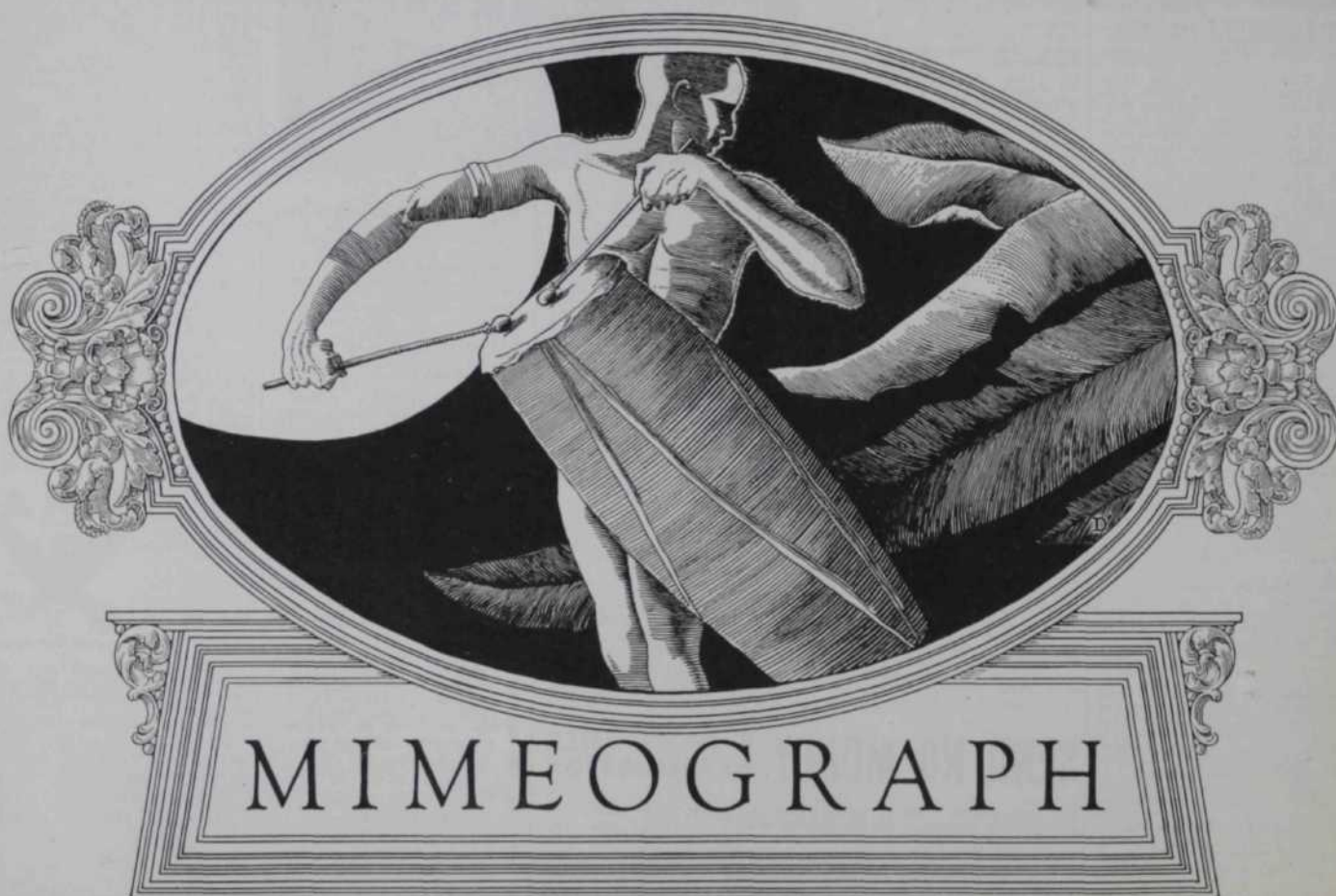
Canadian Orders \$1.10 per book, cash with order

SEND NO MONEY 5 DAYS' FREE EXAMINATION

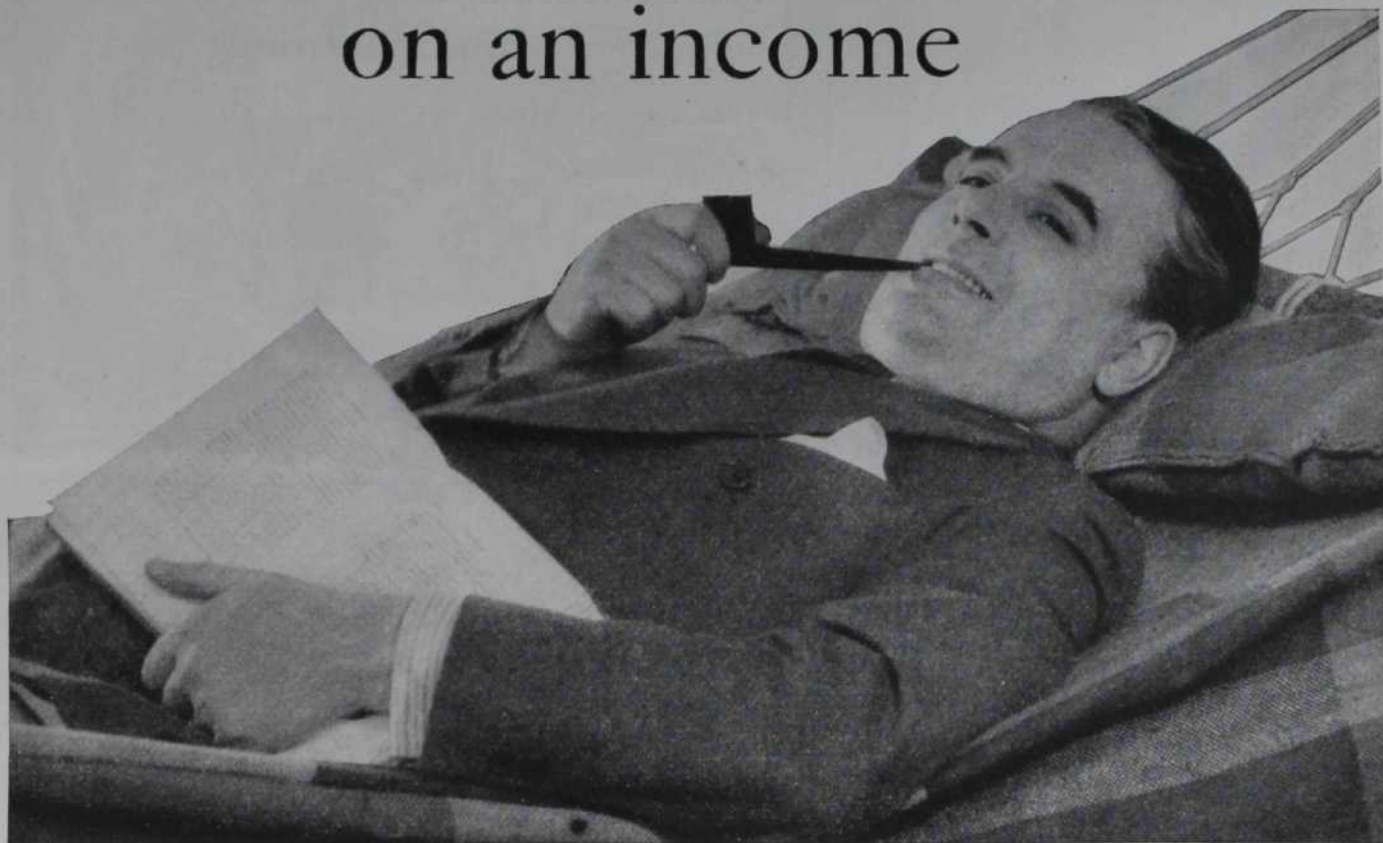
Use the coupon. Mark the volumes you want. Mail coupon to us without money. Books will be sent ON APPROVAL. Pay nothing in advance—nothing to postman. So confident are we that STAR DOLLAR BOOKS offer you a greater value for \$1 than you can realize without actually seeing for yourself, that we are making this FREE EXAMINATION OFFER. Examine for 5 days. Then send us only \$1 plus 10c postage for each title you keep. If you do not admit that this is the biggest book value you ever saw return the volumes and forget the matter. The editions of many titles are limited—don't delay. Garden City Publishing Company, Dept. 6710, Garden City, N. Y.

When writing to GARDEN CITY PUBLISHING COMPANY please mention Nation's Business

DRUMS! For a thousand years the African drum has broadcast its coded messages over the miles. For more than a generation the whirling drums of the Mimeograph have speeded their pertinent messages into all parts of the world. The newest Mimeograph marks a high point in human efficiency. Its ability to turn out, in every hour of the working day, thousands of well-printed duplicates of all kinds of forms, letters, bulletins, graphs, maps, etc., makes it standard equipment in business and education everywhere. Quickness is its high merit—therefore a great saver of time and money! Get latest information from A. B. Dick Company, Chicago, or see classified telephone directory for local branch.



How you can **RETIRE** on an income



\$250 a Month for Life

DO YOU WANT to quit work some day? If you do, you should read this page carefully. You should then mail the coupon at the bottom of the page. You will receive by return mail, and without cost or obligation, an interesting free book which tells all about the Phoenix Mutual Retirement Income Plan.

How the Plan Works

This new Plan makes it possible for you to retire at 55, 60, or 65. You may provide for yourself a monthly income of \$100, \$200, \$300, or more.

This life income is guaranteed to you by the Phoenix Mutual, an 80-year-old company with over six hundred million dollars of insurance in force.

Suppose you decide to retire on an income of \$250 a month when you are 60. Here is what you get:

1. An income of \$250 a month, beginning at age 60 and lasting the rest of your life. If you prefer, you may have a cash settlement of \$33,750 at age 60 instead of the monthly income.

2. Upon your death from any natural cause before age 60, your wife (or other beneficiary) receives a cash payment of \$25,000. Or, if preferred, your wife re-

ceives a monthly income for life.

3. Upon your death from accidental means before age 60, your wife receives a cash payment of \$50,000. Or double the monthly income for life.

4. If, before age 55, serious illness or accident stops your earning power for a certain period, you will thereafter receive a monthly income to live on during such disability, even if it lasts the rest of your life.

The cost of a Retirement Income depends upon your present age and upon the amount of income you wish to retire on. A Retirement Income does not have to be paid for all at once. It may be purchased on the installment plan. The payments are usually spread out over a

period of 20 years or more. Naturally, this makes the payments comparatively small. One of the great advantages of this Plan is that it begins to operate the minute you pay your first installment. Even though you should become totally disabled, you would not need to worry, because your installments would be paid by us out of a special reserve fund.

Send for the Facts

A 24-page book tells how you can retire on an income—how you can provide money to send your son to college—money to leave your home free of debt—money for other needs. Send for your copy now. No cost. No obligation.



PHOENIX MUTUAL LIFE INSURANCE COMPANY

Home Office: Hartford, Conn.

First Policy Issued 1851

Copyright 1933, P. M. L. I. Co.



PHOENIX MUTUAL LIFE INSURANCE CO., 819 Elm St., Hartford, Conn.

Send me by mail, without obligation, your new book,
"THE PHOENIX MUTUAL RETIREMENT INCOME PLAN."

Name _____ Date of Birth _____

Business Address _____

Home Address _____



The old-style fabric tires failed often... ran HOT. Friction at every cross of the weave caused them to break down quickly.



The "Cord-Fabric" construction used in most tires today is an improvement, but still has friction-causing cross-cords.



Goodrich uses the only type of construction that eliminates cross-cords entirely making a tire that is 100% full-floating CORD!

CROSS - WEAVE FRICTION ELIMINATED BY GOODRICH TRUCK TIRE CONSTRUCTION



REMEMBER the old "fabric" tires? 5,000 miles was considered a miracle! And it's a wonder they ran *that* long. The flexing of a tire in actual use sets up tremendous friction. This friction means internal heat—the real cause of more than 90% of tire failures. Imagine the friction, at every crossing of the weave, in closely-woven canvas!

Then came so-called "cord" tires. Mileages jumped—multiplied. The secret was—reduced cross-weave. Therefore less internal friction. Only enough cross-cords are used to hold the strands together. This improved "cord-fabric" is in use today by most modern tire manufacturers.

But Goodrich has eliminated this type of

internal friction entirely! Thanks to special equipment used by Goodrich it is now possible to make 100% cord tires—with *no cross-weave whatever*. This is the only type of tire construction that absolutely eliminates cross-weave friction. Each separate cord is full-floated in live rubber—does not touch any other cord.

No wonder truck and bus operators in all parts of the country and in every kind of business are amazed at the long, trouble-free service they are getting from today's Goodrich Safety Silvertown Tires!

Put this friction-free tire on your trucks, and enjoy not only a welcome drop in operating costs, but a new freedom from annoying delays in your truck deliveries.

Goodrich Safety Silvertowns
For Trucks and Buses  100% Full-Floating Cords



Through the EDITOR'S SPECS

Chicago and depression

CHICAGO—There is something of fatefulness, it is said, in the thought that Chicago has dated its historic transformations by national depressions. The great fire about coincided with the depression of the early '70s; the first World's Fair shone resplendent amid the depression of '93; the Century of Progress Exposition opened in this year of doubt 1933. Whatever the auguries of these conjunctions, Chicago early determined to make its own way to glory.

Conceived in the dust of the prairie, it dug itself out of the mud of the waterfront. And when the mud threatened to trespass, it hoisted itself on stilts and raised the street level eight feet. The lush, weedy growth of the ambitious town had its searing revision in engulfing flame. Sure of its will, Chicago boldly defied a national panic by rebuilding. The style of that architectural renaissance then seemed the epitome of beauty. But haste had its penalties no less renowned than fire. The new buildings obstructed the prized view of Lake Michigan. To forego the magnificent vistas was unthinkable. From the lake's bottom, dredges plucked mud for a new waterfront and marginal park land for the development of play spaces.

Built from the lake up

BY A similar deal with Nature, miles of the magic city which constitute the exposition grounds came to light and usefulness. Like a lily nourished on the sooty soil of a factory window ledge, Chicago has modelled much of its rugged beauty from the substance of primordial ooze. It is as if the very sight of mud carried an impelling and inspirational urge to build, to create, to reclaim. Small wonder that Chicago's history is studded with exclamation points. The skyline is punctuated with the towering symbolism of this new centenarian among our cities. Majestic, and a

NATION'S BUSINESS

VOLUME 21



NUMBER 10

*** for October • 1933 ***

	PAGE
The Second Stage <i>Merle Thorpe</i>	11
What Union Labor Seeks <i>William Green</i>	13
Mr. Harriman Explains the Labor Provisions of the Recovery Act	15
No Business Can Escape Change	16
Watching Washington <i>Frederick Shelton</i>	17
Twenty-Five Years of Auto Building <i>Raymond Willoughby</i>	20
The Crucial Question of Price <i>William F. Ogburn</i>	23
Developments in Distribution	26
Charting the Course of Business	27
The NRA and the Small City <i>John Kelley and Paul McCrea</i>	30
What Ails Chambers of Commerce? <i>Edward A. Filene</i>	37
Adventures of a Sales Detective <i>Chester E. Haring</i>	44
Plans that Shortened Bread Lines <i>Russell Greenman</i>	50
The Consumer Doesn't Change <i>Paul Hollister</i>	67
Sidelights of the NRA	70
What Bankers and Investors Discuss	79
The Business Bookshelf	81

CHAMBER OF COMMERCE OF THE UNITED STATES MERLE THORPE, Editor and Publisher

Managing Editor, WARREN BISHOP
Director of Advertising, E. V. THOMPSON



Business Manager, J. B. WYCKOFF
Circulation Manager, LAWRENCE F. HURLEY

General Office—Washington, United States Chamber of Commerce Building.

Branch Offices—New York, Graybar Bldg. San Francisco, Merchants Exchange Building. Dallas, 1101 Commerce St. Chicago, First National Bank Building. Atlanta, Chamber of Commerce Building.

As the official magazine of the Chamber of Commerce of the United States

this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers. SUBSCRIPTION RATES: Three years, \$7.50; one year, \$3.00. Canada: Three years, \$9.00; one year, \$3.50. Please notify us promptly of change of address.—Nation's Business, Washington, D. C.

NO MORE TOWEL PARADES!



TOWELS belong in the washrooms. Desk drawer towels are inconvenient because they waste time and effort.

Install A.P.W. Onliwon Towels in your washrooms and provide an individual, clean, fresh towel that is absolutely safe and satisfactory. Served double-folded from hygienic

cabinets, Onliwon Towels are doubly-absorbent and strong. Naturally, then, one Onliwon Towel does the work of several ordinary towels—saves you money. Order A.P.W. Onliwon Towels and the companion service, A.P.W. Onliwon Toilet Tissue, for all your washrooms.

A.P.W.

ONLIWON SANITARY WASHROOM SERVICE

A. P. W. Paper Co., Albany, N. Y.

Representatives in leading cities

When writing to A. P. W. PAPER CO. please mention Nation's Business

little mystical, the tall spires of commerce attest the faith of man through the wonders of his works.

It is fitting that the world should take thought of Chicago. In a very real sense it is an American Mecca to which the troubled pilgrim may confidently repair for a refreshment of his belief in his country and his fellow countrymen. Nor is it any accident that the people by the million should respond to the opportunity to rub elbows with each other on common ground. Nothing is more democratic than the exposition. The underlying unity of the nation is confirmed with every contact. East, West, North, and South leave geography at the gates. Dialects are merged in the supreme voice of the crowd.

Contrasts at the exposition

EYE and ear do double duty lest something be missed. The mind is willing, though the feet may be weak. The opulence and the range of exhibits gradually take hold. The trivial is cheek by jowl with the epochal.

Contrast is commonplace. The golden roof of the temple of Jehol makes shade for a group of country boys in paper fire helmets.

The chalice of Antioch is revered by a thirsty tourist sipping a bottle of sodapop.

A husband-calling contest vies with the broadcast of a famous concert orchestra.

Bronzed collegians in shorts jog along with rickshaws in competition with portly sightseeing buses.

Willie Vocalite, the obliging robot, charms an audience of youngsters, while the supple skill of human hands fabricates whole automobiles before a spellbound clot of folks who know their traffic jams.

Over all stands the spidery bulk of the "sky ride" with its shuttle cars weaving modernistic patterns on the gondolas in the calm lagoon below.

A diamond cutter nonchalantly works his will on a hefty stone while he chats with an enthralled "gob" wearing a ring fashioned from a horseshoe nail.

Indian tepees hold place with the House of Tomorrow.

Civilizations dead and buried are resurrected that a later edition of mankind may know something of its taproots.

Jazz, grand opera, plantation minstrelsy, the music of the Orient canned and personalized.

Products of all climes

FOOD of all nations, with vocal accompaniments, if you like. *Garçons* and *kellners* in transplanted native atmospheres. Food in the hands of ambulant consumers. Bouquets of beer mugs on the digits of dexterous *fräuleins* who suggest the shamrock rather than the hop.

And everywhere eager and sustained curiosity. Tramp, tramp, tramp. Mile upon mile of booths and display spaces, as if the very corridor of time had been compartmentized for an American holiday. Revelation is the keynote, and the diorama is its servant. All sorts of processes and installations are dissected with cross sections. The wealth of working models could implement a world in miniature.

For those who insist that there be giants



7 out of 10

OTTO PUNKS
MEMPHIS

OF every ten pump and well water system units that serve the world's industries and municipalities today . . . *seven are* LAYNE. They serve industrial giants and industrial dwarves. They serve the greatest cities and the smallest villages. But no matter what or where they serve, their job is the same . . . to produce the greatest amount of water at the lowest possible cost. Their service, their economy and their efficiency is *guaranteed* by the world's largest and oldest organization of hydrological experts, specially trained engineers

and experienced pump manufacturers. If you would like to know how to step up your water production and, at the same time, lower your cost . . . send now for Layne's new free booklet, "WATER OR NO PAY."

LAYNE & BOWLER, INC., Department E
General Offices Memphis, Tennessee



Send me free bulletins on Layne Pumps, Wells, Well Water Systems of special value to () industrial () municipal executives.

Name _____

City _____ State _____

LAYNE PUMPS AND WELL WATER SYSTEMS

When writing to LAYNE & BOWLER, INC., please mention Nation's Business



If

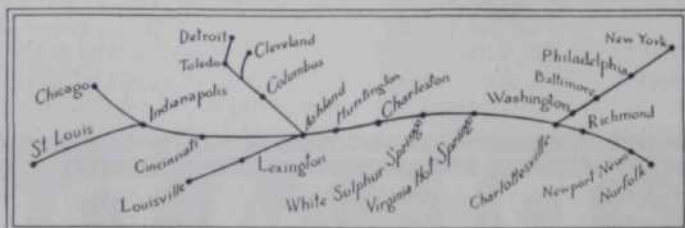
UNFINISHED BUSINESS IS YOUR TRAVELING COMPANION—

Chesapeake and Ohio air-conditioned trains are as quiet, clean and comfortable as your own private office . . .

Most business men look forward to their trip on Chesapeake and Ohio as a welcome rest between busy days. But if you *must* take your work with you—either in your head or in your brief-case—you'll find the quiet atmosphere, the fresh, clean, tempered air, a definite stimulus to clear-headed thinking. No drafts to rustle papers. No cinders flying around. Temperature neither too hot nor too cold. A comfortable seat and work table.

And when relaxation is in order, there's an easy chair in the lounge car, your favorite magazine, radio entertainment, buffet, or a well-relished meal in the restaurant car, with service and surroundings that remind you of a well-managed club.

THE GEORGE WASHINGTON THE SPORTSMAN • THE F. F. V. *Genuinely air-conditioned*



The ticket agent of any railroad can route you over the Chesapeake and Ohio. **INSIST UPON IT!**

CHESAPEAKE and OHIO

When making reservations on the C. & O. please mention Nation's Business

in every fairyland, full size locomotives, trains of cars, airplanes, blimps, printing plants, household furnishings and equipment—all the facilities of ancient and modern living are arrayed. An inventory to stock a thousand museums. Memories for a lifetime, showmanship to dazzle the beholder into a bull movement for tinted glasses.

A symphony of colors

AT NIGHT the benign witchery of light. Heaven-sweeping beams. Pencils writing on the velvet sky. Fountains turned to limpid rainbows. Vivid neons enveloping the planes of the buildings with unforgettable hues. Why, there aren't any such colors! Strips, bands, moldings of light defining line and angle with pigmented symmetry.

The darkness is made legible with a myriad pointers. Can these wondrous structures be the forms so bleakly dimensioned by day? Every sense is galvanized into expectancy. Aladdin himself is here. His lamps are legion.

By day or night, he who believes in signs will not be misled. "Bus stop. Telephones. Toilets." Plenty of practicalities even in a world of make believe.

It may be that the management took a leaf from Hendrik Willem Van Loon's "An Indiscreet Itinerary." His advice to travelers is "the first thing to do once you arrive in any place is to sit down and catch your breath and take a nap if you feel so inclined."

Sitting and travelling

AS ONE commentator puts it, "those words should be written in letters of gold upon tablets of ivory. The whole object of travelling is to sit down." It is her view that the visitor should sit there until he feels good and ready to rise. "Take a nap or a drink, or just sit and think, or just sit, but do not allow anything whatever to budge you until the spirit moves."

No matter if the aldermen and the mayor approach offering you the keys to the city, no matter if battalions of guides mill about entreating you to take only three paces forward and view the Mayan Temple or the Enchanted Island, the Royal Scot or Byrd's ship, wave them aside. If the Mayan Temple wants to be seen just then, let them bring it to you. Otherwise, it can wait. "The important thing is to get the feeling: Here I am." Happily, Chicago has provided ample relaxation for both ends of visiting spinal columns.

Time and place for study

THE issue of meditation is lively, for the exposition is merely the central magnet. The Adler Planetarium, the Field Museum, the Shedd Aquarium, the Buckingham Fountain, nearby, radiate their invitations to time and thought.

It does not escape notice that these permanent "sights" bear the names of citizens—men and women who gave grandly because they believed in their city and its future.

The stars in their courses. Music of the spheres. Other worldliness at its best. . . . Natural history and marine life brought to a convenient focus through the munif-

icence of two great merchants. . . . Poetry of motion in the entrancing play of water because a sister wanted to honor the memory of a brother.

And just beyond, the solid pile of the Art Institute with its exposition display of paintings by old masters and new masters. All owned and lent by Americans except Whistler's "Mother."

Admission a quarter, catalogs one dollar with plenty of takers. Evidence in this bumper crop of lookers that we have a hankering for culture.

Hospitality in the city

AS AT the exposition, so in the city, it is the people who give it its quality and character. Does the stranger forget the generous thought which prompted a besieged hotel management to provide a \$20 room when it was impossible to offer the \$6 accommodation reserved?

Does time obscure the friendly hand of a traffic sovereign who held back impatient commerce that an outlander might not be cut off from a safety island? Civility and godspeed from a street-sweeper? A bus-driver's concern to speak well of his city? A waitress' proud recital of the glories of Marshall Field's?

"So you've come to the fair?" Chicago seemed to say with a convincing assurance that hospitality would be adequate to your expectation and your purpose. I salute Chicago. I salute the millions of Americans who have passed through the exposition gates. They have done well to relate their daily affairs to a larger orbit of education and experience. What matter that the buildings will be torn down! Ideas are imperishable.

In a thousand communities life will be richer, more worth the living for their accession of new viewpoints. Men and women will return to their workaday routine revitalized with the assurance that their countrymen carry on, that the good fight is being fought, that "progress" is not a mockery but the real and positive advance of a great people committed to no compromise that might qualify the optimum of their destiny.

Losing the depression

WHOSOEVER goes to the exposition finds deep wells of confidence in this land. He will learn that the hearts of his countrymen beat warmly for America. He will discover that handclasps are no less firm, and smiles no less genuine because lean days are upon us. Everywhere you turn, people press upon you. They constitute a resistless tide.

De Quincey's phantasmagoria of a sea of strange faces comes to life. The depression is a million miles away. Not a sour look in a bus load. "Stop me if I start to tell you a hard luck story. Here's to happy days!"

Tramp, tramp, tramp! The march goes on. Clickety-clack, 200,000, 300,000 a day, the turnstiles say. What a demonstration of "natural resources"! You can't lick these people. They are America's future in the making. They are the indestructible guaranty of a posterity. They know their E Pluribus Unum.

MT.

THE ALL-ROUND BUSINESS MAN NOW FACES HIS BIG CHANCE



THIS MESSAGE is addressed to men who want to profit by the upswing in business.

Out of every hundred men who read this—men now earning from \$3,000 to \$10,000 a year—a few, a *very few*, will get large salary increases in the next two years.

Not everybody will make money in the business revival. That is the particular point about business conditions today that is most important for you to remember. *Not everybody will make money.*

Who is going to make money?

Certainly not the man content to plod along in his present position and wait for a rosy future. Right now business (and that means *your* company) is beginning to reach out for men with new ideas. What does business expect? Just this: Men with experience, vision, and the business training that makes them *bigger* than their present jobs. Men whose business knowledge is up to date. Men who can accept bigger responsibilities, and *lead*—not follow some one else's worn-out ideas. In the shuffle of the next two years some men will step ahead fast—on merit.

How can a man get this broad

executive training and the confidence it brings? Must he wait for the slow, painful growth built on bitter experience?

No. For 25 years the Alexander Hamilton Institute has been teaching the very things that have helped more than 400,000 men forge ahead financially.

To men who are sick of standing still financially, men determined to *do something* about it, we offer a copy of a little book. It is called "What a Business Man Must Know Today." It is for men who should be earning much more money, but somehow lack the self-confidence to step out and get it. It explains some of the changes that are taking place today. It tells how you can equip yourself to take your place in the new business structure with confidence and increased earning power.

This booklet is for men of serious purpose only. It will take half an hour to read, and it is free. Frankly, it is difficult for us to understand how any man who intends to make himself independent in the next five years can afford *not* to read it. Send for your copy today. It will come to you by mail, without obligation.

ALEXANDER HAMILTON INSTITUTE

To the ALEXANDER HAMILTON INSTITUTE, 717 Astor Place, New York, N. Y. (In Canada, address Alexander Hamilton Institute, Ltd., C. P. R. Building, Toronto.) Send me "What a Business Man Must Know Today," which I may keep without charge.

Name..... Age.....

Business Address.....

Business Position.....



Before you buy another Truck Tire SEE THIS TEST

ALL tire makers speak well of their goods—but the tires that lead the world in sales are Goodyears. Why? One reason is that Goodyears are bodied with patented Supertwist Cord. And how is Supertwist better than others? It wears longer. Why? Because Supertwist has up to 61% more stretch and come-back than other cords. Instead of weakening and breaking under ferocious pounding on the road, it *gives and recovers* . . . absorbs blows . . . resists heat and blowouts. Can this be proved? It certainly can. Right before your eyes, with a comparative test of Supertwist and the best competitive cord—stretching them and relaxing them side by side in the testing machine shown in this picture. How can you see this test? By telephoning any Goodyear Truck Tire Dealer. How long does it take? Three minutes. Does it show you how to spread your tire money over more miles? That's exactly what it *does* show . . . See this Supertwist Test. *Stop listening and look!*

"No wonder you were so confident Goodyears would do our job!" said Porter W. Yett, of Swigert, Hart & Yett, Portland, Ore., after watching the Supertwist Test. His firm, owners of the Transit Mix System, must have uninterrupted service in delivering concrete. Their 22,000 pound units, on Goodyear Balloons, recently made a perfect score in a 1600-hour continuous running test for the United States Government . . . Demonstrator, Roy Armond, of Woolach Bros., Goodyear Dealer, Portland.



GOODYEAR

MORE TONS ARE HAULED ON GOODYEAR TRUCK TIRES THAN ON ANY OTHER KIND

When buying GOODYEAR TIRES please mention Nation's Business



The Second Stage

★ A WORLD which regards change as the only certainty is today casting about to learn what ideas in these unusual times are permanent. Possibly it is the age-old human hankering for security and solidity that prompts the honest questioning of the new pattern of government, to which the people are trying to adapt their resources. Even the most casual observer feels that the nation is just emerging from a profound experience, something in the nature of a great religious revival.

It is hard to weigh events, so complicated is any appraisal of intricate "intangibles." And so speculation must rule all forecasts, except perhaps one, and that is the continuing loyalty and patience of the citizen in his character of producer, distributor, accommodator, consumer—and source of all government wherewithal.

It is clear enough that the progress of the recovery program is susceptible of many interpretations. A new phase comes in sight as the preparatory period wanes. Now that we enter the performance stage, the job of administrative organization will pale before substantial practicalities daily brought into public view. "It is a little too early," General Johnson declares, "for us to make a case."

Happily it is true that whatever the creaking of the recovery mechanism, there is no disposition among responsible men to prejudge the NRA efforts to bring back good times. Even the most zealous advocate can discover no grudging of good will in the widespread curiosity to know where we stand.

As every man sees, the Blue Eagle is so prevalent that the whole land seems under his official wing. What this coverage will mean in trade statistics, time will tell. If generalities alone would suffice for the measure of progress, they are here in impressive dimension. The abolition of child labor on a national scale is already hailed as accomplished. Solution of the muddled "farm problem" is more debatable. As for the mercantile world, the country seems ready to

approve the cure of cutthroat competition, the spreading of work, and the establishment of wage standards.

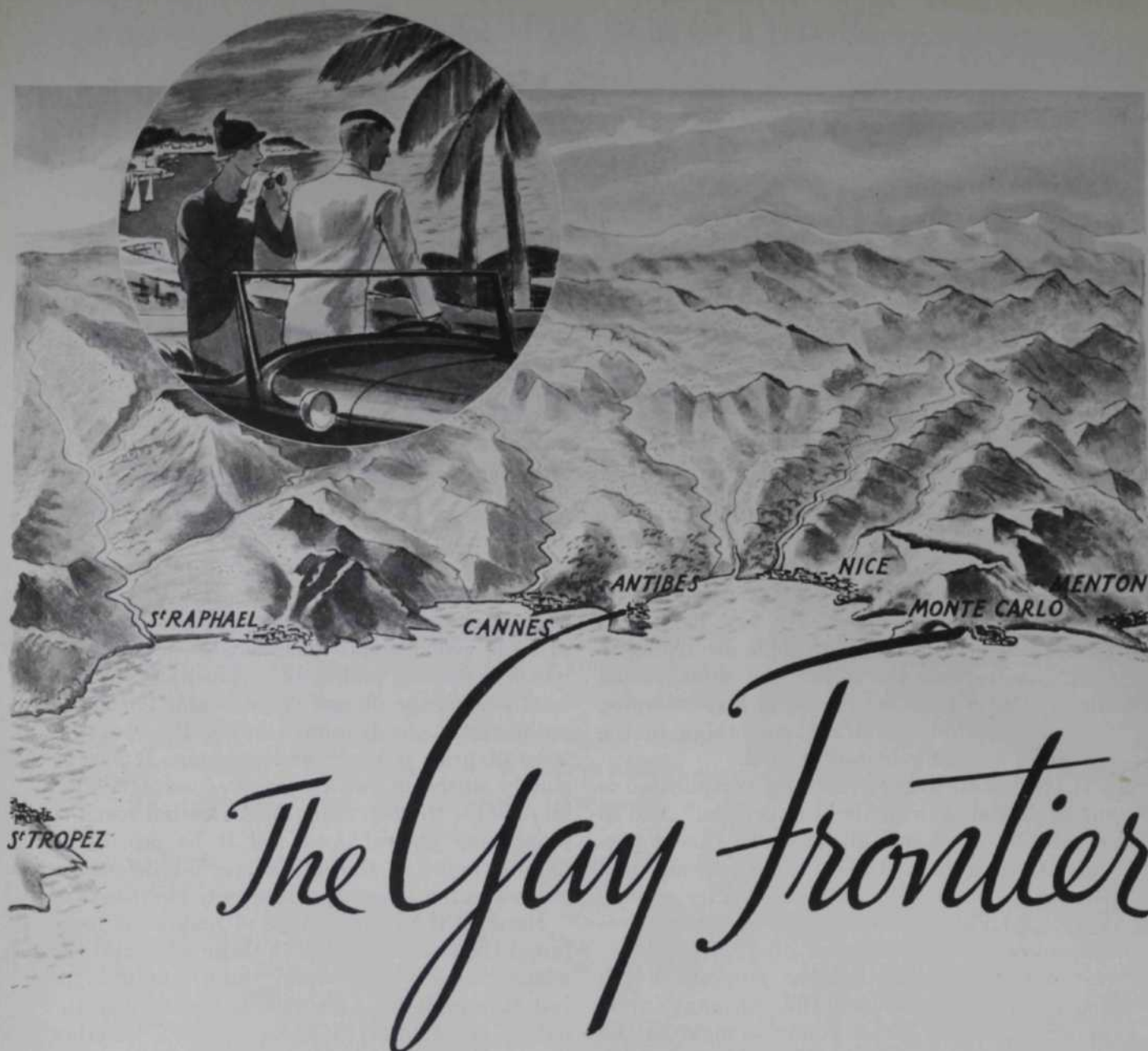
That there are sizable difficulties ahead, no sensible man doubts. Consciously or not, the plan has become entangled with the direction of labor policies and organization—a situation which in itself is prolific of perplexities. Not the least peril is the danger of provoking corroding antagonisms. And, unmistakably the practical issue of price is lively and pressing. It can be simply stated in two major questions: "Will it be possible to keep rising prices within reach of purchasing power? And will it be possible to finance industry during the period before increased purchasing power is reflected in sales?"

Here, in the second stage of realities is to be found the cleavage between those who laud the whole recovery effort and those who wait for test to inform their judgment. Undeniably the nation is committed to "the new order." Whether the novelty will give a lasting impress to American life is the riddle. The loose talk of "revolution" only serves to obscure the implications of the experiment. It is all to the good that the people should try to distinguish between artificially-stimulated gains and the advances traceable to the persistence of their own enterprise and the satisfaction of their wants.

What employer, what father, what citizen, can be dead to the interventions of government put forward in the name of recovery? What will banking be like ten years hence? Who can discern the consequences to transportation, to public utilities, to retailing, to manufacturing? Will organization be the rule and individualism the exception?

The answer patently awaits experience, and the ordeal of waiting may be tempered with the proverb, "he that nothing questioneth, nothing learneth."

Merce Thompson



The Gay Frontier

**Monte Carlo . . . and a whole world of winter warmth
and pleasantries lie spread along the golden Riviera**

THE blue Mediterranean washes Monte Carlo . . . and Monte Carlo is only a short motor-ride from Nice, along the *Grande Corniche* drive. . . . Menton is just beyond; Antibes and Cannes, St. Raphael and St. Tropez lie to the southwest. . . . That's the Riviera in a nutshell! A frontier of gay *cabañas*, striped parasols, hyacinths and pomegranates . . . the perfect retreat from winter weathers and worries.

And, to go to the Riviera, most people travel French Line to Le Havre . . . shop a bit in Paris . . . then ride down by car or train through beautiful, sunny France.

For the French Line starts your Côte d'Azur in Manhattan: Continental atmosphere the moment you step aboard . . . French cooking famous all over the world . . . well-trained stewards who speak English . . . comfort, luxury, congeniality!

So this winter, plan to enjoy the Riviera's perpetual summer, and the hospitality of France-Afloat. Any travel agent will gladly make all the arrangements for you without charge; and you'll be agreeably surprised by the reasonable rates of modern French Line travel. . . . French Line, 19 State Street, New York City.

French Line

ILE DE FRANCE, October 14, November 4 and 25, December 16 • PARIS, October 20, November 17
CHAMPLAIN, November 11, December 2 • LAFAYETTE, October 7 • DE GRASSE, October 28, December 13

When writing to FRENCH LINE please mention Nation's Business

What Union Labor Seeks

By WILLIAM GREEN *as told to Chester M. Wright*

★ PRESIDENT ROOSEVELT has said that the vast social and economic changes now taking place are to be permanent. I agree with him, in the sense that America cannot go back to the old ways. Whether the changes of today are leading to a permanency under the type of economic structure contemplated by the National Industrial Recovery Act remains to be seen. If this new structure meets the needs of our people, then we may expect it to be permanent, insofar as any social order is permanent. If it does not, then we shall beyond doubt proceed to still more change of a still more drastic nature.

At present labor is engaged in two endeavors. It is attempting to see to it that we enter the new social order contemplated by the Recovery Act on a proper foundation and with all of the rights secured through the Act intact and unmodified. At the same time it is attempting to see through the uproar and confusion of the present into a future in which some semblance of order shall have been established. Unless the guarantees of the Act are to be operative today, there will be no future of the kind envisioned by the Act.

Let me state certain principles and certain requirements clearly. Congress passed the National Industrial Recovery Act for the purpose of overcoming unemployment. I presume we may also say it was put upon the statute books for the saving of the present social order from destruction by violence, because if some way could not be found to find work and wages for the vast portion of our population that was idle and in distress it could



Mr. Green talking to reporters after steel operators had refused to discuss with him wages and hours to be included in their code

THE QUESTION of what recognition is to be given employees' organizations has dominated many hearings of the NRA and has been the rock on which several codes have broken up. The demands of organized labor and the purposes that inspire them are of increasing interest to business. The president of the American Federation of Labor is best qualified to tell what they are. Here is his explanation

have been only a question of time and the grouping of circumstances before vast disorder would have come upon us. But primarily, the Government, awakened at last to a true sense of social responsibility, sought to save our wage earning millions from the maladminis-

tration of an unrestrained and uncontrolled capitalism.

To make certain that the Act might achieve its purposes, certain guarantees were written into it, upon the insistence of organized labor. Without these guarantees, labor was convinced—and Con-

gress must have been convinced—those who had once wrecked would shortly wreck again. Briefly, the guarantees to which I refer are the guarantees of the right of workers to organize freely in unions of their own choosing, the right to be free from the coercion of industrial ownership and management and the right to engage in collective bargaining through representatives of their own choosing.

Labor will organize

LABOR expects now to exercise the right to organize and the right to bargain collectively without interference or restraint by the employers of labor and industrial management. If labor is permitted to exercise these rights, then the NRA will mean much to labor and to the welfare of the nation. If these rights are denied, then the Act will mean nothing.

I base the statement on labor's experience during the last half century. Every improvement that has come to labor, economically or socially, has

minimum rates of pay and the maximum number of work-hours for the lowest paid workers. Obviously, there are large numbers—no one can estimate how many—of the oppressed and the exploited, who fall in this class and whose wages will be raised to a higher level and whose hours of work will be reduced. But this group of workers, unorganized and helpless, constitutes but a small part of the total number of workers in industry.

It is clear that if the skilled and the semi-skilled are to reap proper and adequate benefit it can be done only through collective bargaining. The degree of their progress and of the benefit they shall derive depends upon the strength of their organization and the presentation of their case through capable and freely chosen representatives as provided in Section 7a of the Recovery Act.

The chief objective of the Act, as I have said, was to overcome unemployment. The Government accepted labor's formula, which labor had pressed for many years, for fewer hours of work

in buying power can consume the coming production. We have had no difficulty about producing enough. The wealth produced has not been properly distributed. The operation of the Recovery Act must result, if it is to succeed, in a lessening of work-hours and an increase in wages, not merely here and there, not for some, but generally and over the whole industrial field. Particularly, what we may call the sink-hole industries must be brought to new high levels of wages and new low levels of working hours. The industrial swamps must be cleaned out.

I know how painful it must be for some to contemplate the fact, but I do not see how anyone can doubt that the proper and successful operation of this new law and this new state of things must, as a collateral outcome, result in a redistribution of the national wealth, or of the national income, whichever expression you may prefer. If labor, on the whole, is paid more, then there must be less for those who do not labor. There must be less for the pure exploiter, less to go into swollen fortunes. Inevitably, we must contemplate that fact and we must regard it as a certainty, if the Recovery Act fulfills its purpose and carries its clear provisions into operation.

"Chiselers"

WE HAVE witnessed the terrific struggles of a goodly part of industry to escape this constructive and saving fate, as groups have come before the National Recovery Administration with their proposed codes of fair competition. General Johnson, battling day by day to carry out the Act as it was written, has talked much of "chiseling," but I want to record myself as saying that the most astounding examples of chiseling in the most damaging sense have come, not from the small storekeepers and the small industrial owners, but from the great industries which have sought by every conceivable device and with

the advice of high priced lawyers to thwart the purposes of the Act.

These have sought to chisel away the very foundations of the Act and to rob it of its meaning. Here have been, in all too many cases, not statesmen building toward a new and finer national life, but selfish owners of industry seeking to hold fast to their own power, regardless of whether the masses might sink or swim. As a member of the Labor Advisory Board of the Ad-



WIDE WORLD

Members of the National Labor Board meet with Sen. R. F. Wagner, the new chairman. Present, left to right, are Walter Teagle, Senator Wagner, Mr. Green, Louis Kirstein

been secured through organization and collective action. In the light of our experience we do not expect that any economic benefits will be merely handed to labor without effort on its part. Labor knows it must still apply the old time formula of struggle and effort and the strike if necessary to promote and advance its economic interests.

The National Industrial Recovery Act goes no farther in its direct economic operation than to fix the

and for higher wages, to move our national buying power to higher levels. The Act is based upon that principle—work opportunities and higher buying power for millions. It will fail utterly if it does not bring about a reduction of work-hours per worker until millions of work opportunities are added to absorb again the millions of unemployed.

There must follow an increase in buying power to consume the goods produced. Only a market sufficiently strong

ministration I can speak with authority and from actual and daily participation. I have sat at the conference table through days and nights with men who seemed unable to see that only by a fairness to the masses of our people can there be safety for any of our people.

Many of these great industrialists have forgotten, or have seemed to forget, that by the Recovery Act—and with labor's energetic support—they have been given that relief from the antitrust laws which they have sought through many years. Without labor's support they may be sure they would not have obtained this relief. But it has come to them. Through many years

labor declared for revision of the anti-trust laws. Labor had in mind the elimination of unfair trade practices which now is possible under the National Recovery Administration. Labor never favored monopolies or exploitation, but favored amendments to the antitrust laws so that ruinous and depressing unfair trade practices could be abolished. This is now possible. Employers and management have gained this great advantage, which, if they use it wisely, will benefit our whole country. It is all a part of the great business of bringing order out of chaos, of bringing plan and unity into our industrial scheme.

Let us try to look forward now for

a bit. I have said that labor demands a fair administration of the Act so that its great guarantees of freedom for the workers shall not be modified. That freedom, in all of its broad meaning, is absolutely essential. I say this, not from a purely partisan point of view, but from what I hope is a broad contemplation of national welfare. During the great war, labor's true national patriotism was not questioned. Its sincerity was acclaimed. It is precisely the same today. We can look upon America as a nation, seeing it in its future potentialities, not as a collection of hostile groups, but as a cooperating whole.

The wage earners must have the free-
(Continued on page 62)

Mr. Harriman Explains the Labor Provisions of the Recovery Act

★ THE Industrial Recovery Act clearly indicates that in the future there are to be three partners in industry: the employer, the employee and the public. The employer is given the right to formulate fair codes of business practice. He is given immunity from the operations of the anti-trust laws so far as they affect codes approved by the President, and he is assured that the competition of ruthless and unfair minorities will be stopped. Labor is assured of fair minimum wages, fair maximum hours and the right of collective bargaining. The public is protected against monopolistic prices and against the suppression of small business.

◆ ◆ ◆
IN THE automobile clause the following language was inserted:

Without in any way attempting to qualify or modify, by interpretation the foregoing requirements of the National Industrial Recovery Act, employers in this industry may exercise their right to select, retain or advance employees on the basis of individual merit without regard to their membership or non-membership in any organization.

American industry is founded upon the recognition of skill, efficiency and intelligence. Without this recognition the progress characteristic of American industry might conceivably be seriously handicapped.

These were interpretive words which added or subtracted nothing from the law, and as a legal interpretation of the act they obviously apply to every code. It is therefore unnecessary to repeat them in their exact form in other codes. To repeat them in changed

form would simply create confusion. The President now feels that Section 7 (a) is very plain English and that interpretations will be necessary only when specific cases arise. I thoroughly agree with him in this position.

◆ ◆ ◆
IN THE summary of the above comments on the labor clause it may be stated that the Recovery Act permits, but does not require, collective bargaining between employers and employees. Under the law employees may choose first, whether they will bargain individually with their employers, second, whether they will bargain collectively with their employers, or, third, whether some will bargain individually and some collectively. If they choose to bargain collectively, then the collective organizations may be affiliated or non-affiliated with other labor organizations. Under the law also employers must recognize the above rights of employees, but individual merit may be recognized and rewarded, always with the understanding that the recognition of merit is not used as a cloak to prevent labor from organizing or to interfere with free and fair collective bargaining.

◆ ◆ ◆
THE labor provisions of the Industrial Recovery Act are found in Section 7 (a). The first proposition of this section is that employees have a right to organize. This right is well settled by the decisions of the United States Supreme Court. The Recovery Act prescribes no particular form of organization; furthermore, employees may bargain individually and not through organizations if they so prefer.

The second proposition is that employees have the right to bargain collectively, and it is interesting to note that the Supreme Court has recently said that "the legality of collective action by employees to safeguard their interests is not to be disputed."

Collective bargaining has a definite meaning. It is the bargaining by a number of employees jointly as to the terms under which they will work for the employer. It contains no implication as to the number of employees who must participate before collective bargaining exists. Collective bargaining is a right given to employees by the Industrial Recovery Act which may or may not be exercised, as they prefer. Collective bargaining is a method. As a method it may be used by some employees of an employer, by all of the employees of an employer, by some of the employees of a group of employers or by all of the employees of all the employers in a given industry.

The third proposition is that employees are to be free from interference or coercion by employers in selecting those who will represent them in collective bargaining. There is no room to question this right, but there is also no doubt that in exercising it the worker should be free from interference or coercion from any source whatsoever, inside or outside the employment.

The fourth proposition is that no employee may be required as a condition of employment to join a company union or to refrain from joining a labor organization of his own choosing.

Another point often raised in connection with the labor clause is whether
(Continued on page 66)

No Business Can Escape Change

★ **Use of synthetic resins** as glues for the plywood industry is made commercially practical by a new emulsion of phenolic resin in water. The new glue is said to be stronger than the wood itself under moisture or heat, to be unaffected by bacteria, to make possible use of compound lumber in outdoor construction. . . .

Pre-cast concrete joists are now being made for use in construction of fire-safe floors for residences, apartments, etc. . . .

Metal locks built into a new insulating lath make the lath's shiplap joints self-locking, self-reinforcing. Locks are 16 inches apart, so spaced to support the lath between the studding. . . .

Building paper surfaced with thin sheet copper (one ounce to the square foot) is now available. Offered in rolls ten inches wide, it's designed particularly for flashing window, door openings. . . .

Poncho-like raincoats made of paper are on the market. They are said to be capable of resisting rain for 12 hours, are thrown away after once being used. . . .

Coated and enamel paper in distinctive scents is offered manufacturers and others for use in catalogs, etc. Use of leather-like scents is suggested for shoe manufacturers' catalogs, flower-like scents for florists' catalogs, and so on. . . .

In a handy show-card making system gummed letters are laid out on a card as desired, then, by a simple process, the card's moistened and letters are attached without disturbing their position. . . .

Adhesive paper clips, made of paper or linen and dispensed and moistened by a novel holder, are now available. . . .

A new typewriter attachment introduces inked ribbons between sheets, making one to four copies without carbon paper. Clean-cut, non-smudging impressions are said to be produced. . . .

New non-skid attachments for the bases of desk and French telephones simplify dialing by holding the instruments firmly in place. . . .

A non-skid writing base is furnished by a new desk pad, made of a flexible, rubber-base composition. It's said to be unharmed by burning cigarettes or ink. A damp cloth removes the latter. . . .

A new cigarette lighter strikes like an ordinary match, requires only an occasional drop of lighter fluid. Described as simple, durable, it's offered as an advertising specialty. . . .

Made of stainless steel, a new flexible, single-row ice-cube tray for mechanical refrigerators is on the market. A simple flexing of the tray frees the cubes. . . .

Ensemble furniture, long available for other rooms of the home, can now be had for the bathroom. Cupboards, hampers, dressing tables in various styles and combinations make up the line. . . .

NOVELTY has a perennial appeal to the buying public. A new design, a new package has helped many an old product to maintain its place in the sales picture

Floor lamps which keep the slack out of their light cords are being offered. Concealed automatic cord reels are built in under the base. . . .

Housewives need no longer cut and stitch cloth strips for rug-making. Crochet strips of new materials in a variety of shades, cut to correct width and sewed, are now offered commercially. . . .

Shoe whitening, blackening is simplified by dressings contained in a new bottle closed with screw cap and permanently attached fabric pad. The moist, padded bottle top is rubbed on the shoe. . . .

A new striping tool for painting automobile bodies, etc., carries its paint in an aluminum cup, has a guide which, it is said, can be adjusted to take any type of molding or flat surface. . . .

Retreading of threadbare tires, particularly those of commercial vehicles, is said to be growing. A rubber band is vulcanized upon the smoothworn tread, adding new miles to old tires. . . .

Farm work promises to be speeded up. High-speed, air-tired tractors have been developed and, for use with them, high-speed plows with specially designed moldboards. . . .

A new and smaller air-tired grain harvester and thresher has also been developed. It fits the average two-plow size tractor, operates at five m.p.h., cuts a five-foot swath, is said to handle 30 acres of wheat, soy beans, etc., in a ten-hour day. . . .

Rubber rub-strakes for watercraft, landing floats and docks are now available. The new guards are said to be unaffected by sun or brine, are offered in a variety of shapes, colors. . . .

A new, mechanical abrasive cleaning machine, said to be more efficient and economical in operation than sand or shot blasting, has been devised. The abrasive is ejected from a revolving wheel. . . .

A new, rapid process for hardening low-carbon steel, malleable or cast iron is said to produce an extremely hard, ductile surface, sufficiently deep to resist unusual wear and abrasion. . . .

Offensive odors are trapped by a new odor filter of simple construction, applicable to industrial systems. Plants employing odor-creating processes may use it to prevent air pollution. . . .

—PAUL H. HAYWARD



A new clear parchment paper, said to be washable, nonspotting, non-clouding, is used in this big shade

EDITOR'S NOTE—Material for this page is gathered from the many sources to which NATION'S BUSINESS has access and from the flow of business information into our offices in Washington. Further information on any of these items can be had by writing us.

Watching Washington

By FREDERICK SHELTON

★ WASHINGTON is the place from which to watch Washington but, of course, a Washington observer must get away occasionally to keep his perspective. One needs to know Washington, to have the feel of it, and to understand the men and motives back of what is going on. But no commentator can get the whole picture without rubbing elbows with farmers, housewives, country merchants, truck-drivers, and run-of-mine citizens in various sections. Reactions are now forming throughout the country which will have a greater effect upon the future course of events than anything General Johnson or the President may think or say.

At Washington there is considerable pessimism. It is the kind of pessimism that springs from administrative provocations, conflicts and tangles which inevitably result when a brand new set of officials undertakes so colossal a task as this Administration has undertaken. The experts seem to agree that business is definitely headed upward, but officials can't help feeling depressed over the prospect that some ventures of the Administration are about to turn out badly.

One is more apt to find optimism among men from the front line trenches of industry who are busy making and selling things to meet a growing demand. Codes are confusing; they are helping some and hurting others. Despite this, business is going ahead, the worst of the depression is over, and an international recovery is under way. Government experts have convincing charts which show the world-wide turn in June, 1932, and the gradual progress in nearly all important commercial countries since then. This country is now taking part in a movement which will carry through despite the many artificialities being imposed with a blare of trumpets.

The Situation

PLENTY of administration policies and activities are succeeding in a splendid way but getting little attention from writers and publicists.

The hysteria of March and April seems to have taken complete possession of many ordinarily detached observers and has colored their perspective ever since. It was during that hysteria that NRA was born. This frenzied enthusiasm and the forcefulness of General Johnson have carried it forward ever since.

All one hears is NRA, General Johnson, codes, minimum wages, higher costs, higher prices, Buy-now, etc. Much of this is ephemeral. It is great stuff for economic experimenters but will not meet the hard tests of realities. The first unquestioning enthusiasm for the NRA program has been followed, as was inevitable, by a spirit of questioning.

There are however many good signs. Constructive factors will operate in the next few months and will make us forget some of the blunders of the present.

NRA Fallacies

TO PUT it bluntly it seems to me that this whole NRA enterprise is a very skillful job of inspiring mass enthusiasm. Few dare to criticize in public but there is plenty of grum-

bling in private. This private grumbling will come into the

open when the boycott spirit grows stronger and the high cost of living begins to pinch.

Customers will complain to their merchants and the merchants will blame NRA for higher prices. Bankruptcies will be traceable directly to NRA codes. Newspapers which are now red hot for NRA because it is great for advertising purposes will feel the popular reaction in time.

Small units which have been able to survive through economies and great adaptability will find themselves at a disadvantage in competition with the large corporations.

Rural industries will lose much of the advantage they have been gaining over those of large industrial centers, and the movement of industry toward the open spaces will be discouraged.

Labor strife will become increasingly acute. Labor representatives among NRA personnel are growing more militant. Donald Richberg as general counsel of NRA will not be able to maintain the pretense of neutrality. Labor saving machinery will be installed to do the work of high-cost workers.

The cry for higher prices has been overdone. It will be repeated, of course, in the next Congress. But next winter when Senator Thomas of Oklahoma delivers his stock speech on higher prices, the poor people of the country will translate the phrase "higher prices" into "higher cost of living." We had a presidential campaign over the "h.c.l." a few years ago, and it may once more be an issue.

Higher prices will soon add seriously to the problem of feeding the unemployed. Perhaps two or three million workers will soon be added to the pay rolls of the country, but the increased price level will boost the cost of caring for the remaining ten million idle. In some cases, the cost of public relief *per capita* already has jumped nearly 50 per cent.

Shorter hours and the sharing of work are admirable things, at least in theory, but their arbitrary adoption may force curtailment of production and thus add to unemployment if employers can't make the grade with the heavier burden of production costs.

It seems likely that the NRA program will have to be turned in new directions. Price fixing is indicated. Profits which heretofore have been played down will have to be played up. The significance of the oil code seems to have been ignored by most people. It probably is the forerunner of price and production control in several major natural resource industries. Congress will help to change the course of current experiments.

A Scarcity Economy

FOR perspective, remember that this whole Administration push is based on a scarcity economy—the belief that restriction of production will aid individual groups directly and

thus improve the status of the country as a whole. That may work out statistically in terms of dollars and cents, and, of course, would tend to equalize the positions of debtors and creditors. But in terms of social engineering, how can the well-being of the people as a whole be improved by decreasing the total amount of goods available? Is not the road to real prosperity the making of more and more goods, so that

all may have and enjoy? If this means lower prices, due to manufacturing efficiencies, what of it, if the individual thereby can live on a \$10,000 scale in terms of 1929 at an actual cost of, say, \$2,000 in terms of 1935 or 1940?

Constructive NRA Results

THE disappointments of NRA must be weighed against the real benefits which are sure to flow from this experiment. In the first place, we shall find out a lot about the technique of governmental control of industry. Lessons thus learned can and will be applied in the next stage of control which is bound to follow.

Many business leaders will learn to drop their Tory notions and find that they can talk out their problems with representatives of the public and sleep better at night.

Industry consciousness will be developed. Individual units will learn to make temporary sacrifices so that the industry as a whole may prosper. Business men will learn to trust each other a little more. They already are showing a greater appreciation of their social responsibilities.

The biggest boon probably will be the passing forever of long working hours which is patently inconsistent with an age in which machines do the work of men.

Aid For Farmers

IN THE case of agriculture, the adjustment act avowedly prescribed the boosting of farmers' prices relatively more than the prices of things farmers have to buy. Processing taxes paid by consumers as a whole are collected to subsidize farmers as a class. The price parity, or economic equality for farmers, has not materialized. Farm prices are being boosted, but NRA comes along and boosts other prices more. Statistically the farmers are relatively worse off than they were six months ago. This will bring a new agrarian revolt in the next session of Congress. Professional farm relievers will see red. They will force new measures for agriculture.

Despite certain disappointments, however, AAA (Agricultural Adjustment Administration) is doing a better job than NRA. It is a better job in the sense that AAA is attacking fundamentals. Banners, parades, and other dramatics have been avoided. AAA has concentrated on actual price and production agreements looking to next year and the year after.

Public Works

THE Public Works Administration has allotted more than half of the \$3,300,000,000 fund. Actual disbursements, however, have hardly begun. Real pick and shovel work will not be started in a big way until the winter months. The whole fund will be spent eventually, but probably not more than half will be used before next July. The whole program will not greatly dent the army of 11,000,000 unemployed. Thus far the Public Works Administration has been relatively free of political graft.

We shall have from eight to ten million still out of work this winter. This means a new drive to Congress for speeding up and expanding public works, inflation, cashing the veterans' bonus, direct unemployment relief, and further farm relief. In the meantime, look for a shift toward subsidies for private construction and other expenditures for capital and producers' goods. The Administration once again is prodding the railroads to borrow and spend on equipment and maintenance.

Inflation Difficulties

ALL is not well with the Administration's official inflation policy. The official aim still is inflation but the dollar devaluation and currency inflation phase is now less emphasized. A shift toward credit inflation is taking place; and policy is

shifting away from dollar devaluation and other ideas of Professor Warren, for the present. We probably will return to them at some later date, but now the emphasis is on easy money and plentiful bank credit. The Federal Reserve Banks will continue purchases of bonds for several weeks at least, forcing cash into banks which must be used for some productive work. This is calculated to forestall currency inflation.

This expansion of bank credit is bound to show results in the next month or two. The Hoover Administration tried it, but too gingerly. Moreover, business was still on the toboggan then, but now an upward trend affords a much better chance for success of the credit expansion drive.

Wooing Confidence

SOMEWHAT tardily the Administration is becoming conscious of the importance of confidence on the part of men who control the great mass of liquid lendable capital of the country. Such confidence is now lacking. The reasons are obvious. We have no clearly defined monetary policy; the Government is running at a huge deficit; and NRA is making disturbing economic dislocations which frighten long term investors.

These things were overlooked in the wild rush of experimentation launched last March. Now NRA is talking of capital expenditures as a missing link; the Public Works Administration is looking toward private construction as the next big step to relieve unemployment and save more billions of expenditures by the Government; and other agencies of the Government are exhorting banks to loosen up and lend liberally.

The formula is fairly simple. Confidence will return and put mass capital to work as soon as prospects justify the risk. The first step is to remove the barriers. This will be attempted, and some progress in that direction can be expected in the next few months. It will be difficult, however, because it will be a job of riding two horses. A policy of inflation and extreme economic experimentation will be hard to reconcile with the process of wooing the confidence of capital.

The Treasury Bulwark

THE Treasury is the bulwark of conservative thinking. It always is. Democrats or Republicans in the Treasury just naturally think in terms of money and policies which inspire confidence of lenders. Radically-minded men put in the Treasury cannot escape the pressure of tradition which rules that Department—a tradition based on realities stronger than political parties or party platforms.

The Treasury tradition is working now to temper many policies of President Roosevelt. There was a time in March and April when Treasury recommendations did not cut much ice but they do now and will have more effect hereafter.

The Treasury has done good work in financing the huge requirements of the emergency budget. It looks now as if the refunding program can be carried out successfully this fall and winter.

Taxation

THERE is not much prospect for tax relief. Congress will revise the revenue laws at the next session but the total tax burden will not be lightened. The aim is to concentrate on administrative reforms but some rate changes are sure to be made.

Bankers' Dilemma

BANK examiners are pressing banks to get liquid. The R.F.C., NRA and other government agencies are urging them to lend. The banks are in a quandary. It is embarrassing, and very vexing to many. Of course they will not lend unless

the risk is good. They will not lend just because NRA code operations squeeze many marginal businesses and make their chances of survival doubtful. They will lend when the outlook clears, and not before. In the meantime, the R.F.C. is on the verge of going into the business of direct banking for hard-pressed NRA victims.

In other respects, the bank resuscitation job is one of the best jobs the Administration has done. Banks are about 95 per cent in excellent shape. There still remains a fringe of hopeless institutions which cannot survive the strict requirements of the deposit insurance plan but these will be merged and made branches of other banks to avoid any serious banking disturbances.

The insurance plan, of course, is going into effect. The resistance of big city banks cannot prevail over the popular demand for government safeguards for depositors. Hereafter, the public will require definite responsibility by the Government for the safety of deposits in banks which the Government pretends to supervise. This will mean, among other things, still greater government control of bank policies and bank operations.

Home and Farm Mortgages

THE \$4,000,000,000 home and farm mortgage refinancing plan has made little progress. The fact seems to be that most mortgagees prefer a direct lien on real estate to a general debenture of a quasi-governmental institution, only the interest of which is guaranteed by the Government. It seems likely that resentment of debtors will lead Congress to liberalize the Home Owners' Loan Act and possibly the Farm Mortgage Act.

Securities Act

SOME strange results are coming from the Federal Securities Act. Virtually no big bond refinancing issues have been registered by investment bankers who ordinarily handle these matters. In Federal Trade Commission circles there is the suspicion of a conspiracy to resist the Securities Act. In investment circles there is the complaint that the rigors of the law and the complexity of the registration requirements make it virtually impossible to comply.

Potential evasion of the Act by use of so-called investment trusts, some avowedly speculative, is attracting the attention of officials.

Hereafter regulations will be strengthened to check abuses through the investment trust device.

Railroads

RAILROAD executives are growing restive under the control of Federal Coordinator Eastman who is gradually but surely imposing rules to reduce competition and eliminate duplicate services. There will be no organized resistance to Mr. Eastman's régime for the present because it is realized that still more drastic measures may be adopted at the next session of Congress. Labor organizations also complain that they are not getting the recognition they expected from a sympathetic coordinator.

Mr. Eastman's policies may be epitomized roughly as calculated to afford the country the best possible transportation system at the lowest possible cost, with the public interest first, the interest of employees a close second, and with investors rewarded only enough to preserve the safety of investments.

For the near future railroads should profit relatively more than many other groups. They will gain through increased volume of physical production and will suffer no great added burdens due to NRA code requirements. The long range outlook is confused, however, by prospects of inflation, and many other potentialities.

Government ownership of railroads is not part of the

present program; it will come only when all other plans have broken down.

Power Policies

THE Administration is moving directly toward municipal distribution of power through the Tennessee Valley project, the Columbia River project, various irrigation ventures, and other plans to be financed through the public works fund. In broad perspective, however, plans will not directly interfere with a majority of private companies for many years. NRA will not force codes upon public utility companies but will urge compliance on a voluntary basis.

A Bigger Navy

IT LOOKS as if this country is in for a navy building period on a larger scale than we have known since the World War. Private shipyards will get at least half of the business of building up the navy.

Negotiations for international limitation of armaments will proceed but there appears to be little chance for agreements which will halt the construction program now contemplated by the United States.

Tariff Negotiations

THE State Department is pushing ahead on negotiations with several Latin-American governments with a view to reciprocal tariff agreements. The obstacles to success are great, however, and the net results probably will not greatly change the present tariff situation.

Higher prices under recently adopted codes are beginning to bring forth demands for additional tariff protection. Import fees in a few cases probably will be imposed before the NRA experiment is concluded. It should be remembered, however, that depreciation of the dollar in terms of other currencies has the same effect as increased tariff rates. Of course, an international currency depreciation race would turn the whole tariff system topsy-turvy.

War Debts

ADMINISTRATION policy on war debts is to "sit tight" and await developments. Debtor countries will not be able to rush this Government off its feet. Inflation of world prices would make debt payments less burdensome, and therefore may become an important factor in bringing about international cooperation for higher prices.

A Changing Government

RECENT events seem to this observer to have dealt the Constitution a blow which may leave it permanently altered. States will become less and less important. Congress hereafter will be little deterred by constitutional limitations and inhibitions.

The courts will approve doubtful laws on the ground of preservation of the Government in an emergency and thus create precedents which will live for decades.

Individualism also is passing. Regardless of failure of certain experiments now being tried you can depend upon it that the next step will be further toward collectivism. How can the "little fellow" protect himself? Obviously he will need trade associations, chambers of commerce, protective societies, consumers' cooperative clubs, labor unions, and other organizations able to take mass action. He especially will need to take a serious part in politics, parties, elections, and all the activities which affect the course of governmental policies.

In the future, however, many primary benefits will be provided by government to all citizens and to this extent the struggle for existence for the individual will be mitigated.

Twenty-Five Years of Auto

By RAYMOND WILLOUGHBY

GENERAL MOTORS' observance of its silver anniversary awakens memories of men whose early vision helped to make the "horseless carriage" a national necessity

★ IT WAS the philosopher, Emerson, who said that an institution is the lengthened shadow of a man. That an American corporation should be celebrating this year the twenty-fifth anniversary of its birth invites the parallel belief that the projection of time's perspective for a business enterprise is in a very real sense the maturing of an idea.

General Motors has arrived at its present estate not only by reason of its fortunate flair for integrating seemingly unrelated industries, but also because it was able almost from the beginning to read the economic significance of a policy of providing "a car for every purse and purpose."

The works of pioneers of the automotive industry endure in famous trade names. What contributions the human entities made to the growth of the impersonal corporate structures is not such common knowledge.

On September 16, 1908, William Crapo Durant, promoter and salesman extraordinary, effected the organization of the General Motors Company, a name struck off at random when George W. Perkins of J. P. Morgan & Company objected to the first proposed name—International Motors.

Incorporated in New Jersey with the Buick Company as its nucleus, the new company began operations on October 20, 1908, when the permanent officers and directors were seated. Eight years later, the present General Motors Corporation was incorporated in Delaware. All capital stock of the earlier company was acquired through exchange of securities. On August 1, 1917, the General Motors Company was dissolved, as

were its principal constituents. The new General Motors Corporation became the direct owner and operator of the properties which had been controlled by the former holding company and its subsidiaries.

In the early history of General Motors, the pattern of advance was simple. One name associated with that elementary expansion is still a household word. As far back as 1900, David Buick was producing motor cars in his own plant. In 1903 he joined with Benjamin Briscoe to form the Buick Motor Company. Briscoe later allied himself with J. D. Maxwell. The Buick Company was reincorporated. Difficulties quickly complicated its course. Reorganization was necessary.

It was in connection with that emergency that W. C. Durant's star first appeared above the motor horizon. With J. Dallas Dort, a hardware dealer, he had put together the Durant-Dort Carriage Company. Important creditors in Flint were alarmed at the plight of the Buick Company. They called on Durant to rehabilitate its faltering fortunes.

He did the job so well that, in 1908, Buick "was the largest producer of automobiles in the United States, produc-



"Come Away With Me, Lucille, in my merry Oldsmobile," pleaded a popular song-writer of 20 years ago. Here is the car he had in mind and these are the men who built it

Building

An early hill-climbing trial. There were no test tracks in those days



When this car was built in 1897 the buggy was still the pattern from which the auto was adapted



ing a total of 8,487 cars. On October 1, 1908, the date of its acquisition by the General Motors Company, its net worth totaled \$3,417,142, almost all of which had been built up by the reinvestment of earnings."

An industry needing mergers

MERGER talk was in the air. The automobile business was highly speculative. Small companies performed financial prodigies with invisible shoestrings. Design was anybody's whim. Chance was dominant. Survival margins were narrow. Thumbs down on a single model often threatened bankruptcy. Where risk was so acutely characteristic, combination offered security. It is a commentary of sorts that "four of the largest producers—Ford, Buick, Reo, and Maxwell-Briscoe—came within an ace of combining their interests."

Two weeks after Durant organized the General Motors Company the initial capital stock of \$2,000 was raised to \$12,500,000—\$7,000,000 in seven per cent preferred stock and \$5,500,000 in common stock, both of \$100 par value per share. Complete acquisition of the capital stock of the Buick



William Crapo Durant

Motor Company was Durant's first move in his new rôle.

How quickly diversification became the new company's order of business is revealed in the rapidity of affiliation and absorption. "Within two years after its incorporation, the General Motors Company had acquired a stock interest in more than two dozen enterprises, including 11 automobile producing companies." In addition to Buick, two other companies which figured in early acquisitions—the Cadillac Motor Car Company and the Olds Motor works—preserve their individuality in the present family group. Another acquisition of that period, the Oakland, is still fresh in memory, Pontiac having recently taken its place.

Fame was less considerate of other units. Marquette, Reliance, the friction-drive Cartercar, the two-cycle, Elmore, Randolph, and Welch were in their day synonyms of business hope. An industry that had to make its precedents from day to day saw nothing incongruous in

dangling "every kind of car in sight" before the public.

Easy sailing had not been the rule. In 1910 General Motors Company was in serious trouble through its indebtedness to banks and to merchandise creditors. To effect "a reorganization of the management and a restriction of enthusiasm," a general committee of creditors was appointed. In the process of funding this indebtedness, bankers entered the af-

fairs of the company. They were in the saddle five years. Throughout the period of this control the automobile industry was booming. For 1910, the aggregate American production was 187,000 cars, with a value of \$225,000,000. For 1915, the corresponding figures were 969,000 and \$701,778,000. To these totals, the General Motors companies had contributed 21 per cent of the vehicles and 22 per cent of the value in 1910. By 1915, their share was 7.8 per cent of the volume and 13.3 per cent of the wholesale value.

Under the bankers' régime Durant had played a rather passive rôle. But in 1913 he began the manufacture of the Chevrolet, designed by a race driver of that name. Production was begun at the plant of the Republic Motor Company in Tarrytown, N. Y. This operation was avowedly intended to win the notice of eastern bankers who "wouldn't come clear out to Michigan to see what the industry was doing."

That he succeeded is suggested by the sprightly ascent of General Motors common stock on the New York Stock Exchange—from a closing of 82 on January 2, 1915, to a "high" of 558 on December 9, 1915. Leagued with his new supporters, chiefly Pierre S. DuPont of E. I. DuPont de Nemours & Company, and Louis G. Kaufman, president of the Chatham and Phoenix National Bank, New York, Durant was able to swing control of enough General Motors stock to elect a majority of the board of directors, the chairmanship going to Pierre S. DuPont. So well did the refinancing take hold that the Chevrolet Motor Company appeared to be gaining control of the General Motors Company. Some opposition developed. It was futile. By July, 1916, Durant was again at the helm.

Expansion and promotion were cardinal policies. The annual reports for 1915 and 1916 reflect surging gains in production, sales, and net profits.

This exhilarating pace had its acknowledgment in the announcement that a plan for a new company had been approved, to become effective November 1.

In accordance with this notice, the General Motors Corporation was incorporated in Delaware on October 13, 1916, and acquired the capital stock of the General Motors Company (New Jersey).

Chevrolet joins

THE Chevrolet Motor Company and the United Motors Corporation were brought into the fold in 1918. Included in the United group were the Dayton Engineering Laboratories Company, New Departure Manufacturing Company, Jaxon Steel Products Company, Hyatt Roller Bearing Company, Remy Electric Company, Harrison Radiator Corporation, and the Klaxon Company.

Red letter days abounded in the post-war period. The new corporation acquired a 60 per cent interest in the Fisher Body Corporation, spent \$32,000,000 on a housing program for its employees, organized the General Motors Acceptance Corporation to finance distributors, dealers, and consumers, and acquired new or additional interests in nine parts-making com-

panies, and in the Guardian Refrigerator Company, later known as Frigidaire, the Dayton Products Company, and the Domestic Engineering Company.

Bright as the business skies then appeared, trouble was ahead. A sharp decline in sales in 1920 caught the corporation with exceedingly heavy inventories. A financial historian of the times observed that "in the three years ended in 1920, the corporation's fixed capital expenditures had aggregated \$281,556,104; and in a period of pronounced distress in the money markets and general business it found itself with more than \$200,000,000 of depreciating inventories, with further commitments already made." On November 30, 1920, Mr. Durant's resignation from the presidency and the succession of Pierre S. DuPont was announced.

Planning more carefully

RECOVERY was "rapid, unexpected, and complete." A change began to manifest itself throughout the corporation's operations. Up to 1921 its course had been marked by ambitious merger and combination projects. With the turn of that year planning and forecasting based on market research began to take the place of bold guessing.

General Motors rode to new production totals and earnings in 1922. Pierre DuPont retired in 1923 and was succeeded by Alfred P. Sloan, Jr. Trained at Massachusetts Institute of Technology, he had headed the Hyatt Roller Bearing Company, and when that company entered United Motors Corporation he became president of the new group.

When United Motors was merged into General Motors, he became vice president in charge of operations, in which post one of his first moves was to form the Managers Securities Company, through which the DuPonts reduced their stockholding in the interest of a broader stock distribution among managers and directors.

Throughout the six years of prosperity which characterized the greater part of the last decade, generous distributions of stock were made to employees as bonuses based on conspicuous services, and returns to employees through the savings and investment funds ran so high that many workmen achieved modest fortunes. It is also worth noting that from 60 to 66 per cent of earnings available for dividends were paid for that purpose.

The next important addition to the Corporation's roster in this period was Yellow Truck and Coach Manufacturing Company which took over General Motors Truck. Although various properties were bought, in addition to the other heavy disbursements mentioned, the Corporation plowed earnings back into the business at the rate of \$20,000,000 to \$100,000,000 a year, reaching the latter figure in 1928.

Consequently, when the depression struck the automobile industry in 1929, General Motors was well fortified with working capital, and has continued paying dividends. The Corporation's report on June 30, 1933, shows as outstanding



Alfred P. Sloan, Jr., president of General Motors, succeeded Pierre DuPont in 1923

(Continued on page 60)

The Crucial Question of Price

By DR. WILLIAM F. OGBURN Department of Sociology, University of Chicago

★ THE National Recovery Act is doing two things that everyone knows about. It is trying to get six million back to work by winter and at the same time to change red ink to black on the balance sheets of industry. But the Recovery Act is also realigning industry. This new organization is making it easier for individual units to reach price agreements despite the provisions of the Act to the contrary. It may mean a big push away from our traditional competition. It may mean a change of our economic system, leading us we do not know exactly how far. These long-time aspects have been obscured by the brilliancy of the fireworks of the emergency phase.

For this reason it is worth while pausing a moment and asking where we are going and what it will be like when we get there.

The most important fact is that business is organizing on a scale unprecedented in American history. It is true we have already organized hundreds of trade associations. We have also had mergers and even organizations that have been pronounced monopolistic by the courts. Indeed, during the decade after the World War, business combinations grew in number as they never had before. But these great trends of the past, notable as they were, are overshadowed by the magnitude of the present effort. All businesses, large and small, of every kind, are being swept in under the driving power of the Government. Like the draft for the army, it is nation-wide and there appear to be no exemptions.

The benefits to industry through organization are many and more impressive than appear to be realized.

Of these benefits, the outstanding one is that which affects price. The lure which is said to attract industries under the codes is the chance of eliminating the unfair competition which keeps prices down.

It is this possibility of restricting competition by making costs more uniform that makes palatable raises of wages and shorter hours.

The classical illustration is that of child labor. The Standard Cotton Mill doesn't want to employ cheap child labor but it feels it must because its competitor, the Quality Cotton Mill, does.



Dr. William F. Ogburn

to the consumer. In general, he accepts, though, because such low costs as child labor, starvation wages, and long hours are anti-social. He does not want goods produced at such a social cost to humanity.

But once industries are organized they may eliminate still further variations in costs. They may promulgate a basing point system of price which eliminates the variation in transportation costs due to distance. The consumer may not be so readily persuaded on such an agreement as he was on the agreement to abolish child labor. It does not seem to have the same social merit.

Once organized, industries may regulate the number of hours which machines work, to prevent competition from a few plants that operate on three-shift or two-shift bases. Such a regulation will eliminate another differential competitive advantage; but the consumer will hardly be pleased because

IN RESIGNING from the Consumers Advisory Board of the NRA, Dr. Ogburn said, "Unless steps are taken to safeguard consumers against rising prices, a grave situation threatens." NATION'S BUSINESS asked him what form these steps should take

No doubt Quality feels the same way about Standard. If all competing mills can organize, they can all agree to abolish child labor; and will actually abolish it if they have the partnership of the Government in enforcing the agreement. Thus one variable factor in costs is eliminated and competition is to that extent restricted. So also agreement on uniform minimum wage rates and maximum hours of labor still further eliminates variable factors in costs of production, and brings the consumer nearer to uniform prices.

The elimination of such low costs will raise the prices, however slightly,

the double or triple shift work day reduces greatly the overhead costs per unit of production, and thus means a lower price for him.

In other cases, some industries organized effectively may prohibit the sale from the factory to the retailer direct, or if such a sale is made, may do so only by adding the differential which goes ordinarily to the middle man. Thus the retailer who buys directly from the factory gets no advantage in price and the chance of eliminating the costs of the middle man is prevented. This prohibition lessens the competition between the retailers, but

hardly in the interest of the consumer, who can see no gain to society by such a prohibition. Again it may be bad business to have below-cost sales, but the consumer doesn't mind.

Keeping prices too high?

ALL these trade practices, by eliminating one after another source of competition, help to keep prices up for the consumer. He may be supposed to acquiesce if society is the gainer. He may not acquiesce, though, if society is not the gainer. Perhaps this line marking off social gain will be the line marking off fair competition from unfair competition, terms undefined in the Act. The National Recovery Act, it is recalled, gives industrial organizations the right to eliminate unfair competitive practices, but not fair competition, because the codes are called codes of fair competition. No doubt the courts will interpret what is fair and what is unfair competition.

But, irrespective of what may actually be written in these basic codes, in practice, the pressure will undoubtedly be for such an organized industry to eliminate more and more of the variations in costs which lead to competitive advantages. If such eliminations proceeded to the theoretical limit, prices would be the same as in a pure monopoly. But these eliminations will not proceed so far.

Before they proceed so far, a much simpler technique may be invoked—that of agreeing on one price, on the part of the producing concerns. It is true that the Recovery Act specifically provides that the codes shall not permit monopolistic practices. So does the Sherman Antitrust Law. But laws are subject to different interpretations; the courts and the investigative machinery are often slow. Then, the laws are themselves subject to change.

If the evolution of our economic life is toward financial consolidations, mergers, and combinations, as it clearly appears to be, then price agreements may be looked for. Certainly the organization of industries through the codes is a great drive in that direction. Although it is conceivable that public opinion may buck up and draw a sharp line between fair and unfair competition, between competition and monopoly prices, and it may insist that industry not cross that line. But public opinion does not always remain the same. Witness our attitude on prohibition. The influence of industries fully organized on public

opinion will be great. At present, though, many staunch defenders of our competitive economic system are willing to resist a change with all their might.

Though there is a strong urge toward price agreements, there are also many obstacles to overcome; often a few individuals or a few industries entering into price agreements will not abide by them, seeking in a crisis as a matter of self-preservation or self-aggrandizement to gain the advantage of a break. Price agreements have thus broken up time and again. Even many of the strongest German cartels—agreements to limit production or otherwise temper the extremity of competition—broke up in the crisis of 1930-33.

Our industry is not yet cartelized, though the codes may be an important step that way. Indeed, many of our businesses have so many small units that, under present conditions, their trade associations could not be strong enough to obtain uniformity of price. Similar difficulties will be encountered in those industries which deal in a great variety of products. In these cases, a serious weakening of competition is little to be feared.

In other cases, however, there are only a few owners who, because of their close association brought about by the codes, might come to a fairly sympathetic understanding of each other's problems with the result that prices would become the same throughout, though no formal procedure making such provision be laid out in the code.

Practices in regard to price adjust-

"WE are headed in the direction of eliminating many competitive factors. If this continues the dangers are in high prices, both for businesses which buy and for the ultimate consumer. There is also the danger of severer and more prolonged business crises"

ments may be varied. In some cases, the trade association may require dissemination of price quotations in advance and then allow for revisions, which may result in approximations toward one price. In other cases, a central committee may have the power to require revisions of prices in cases of particular owners who are suspected of unfair practices, the central committee having the power to define "unfair practices."

The tendency toward cartels is by no means equally strong with all industries. Perhaps it is not so much evidenced in those plants which make consumers' goods or in those establishments that deal directly with the ultimate consumer. The tendency toward price agreements is probably greater in the industries that deal with the basic materials or with the early processing of certain raw materials. This generalization is at best only partly true, for there are many exceptions.

If this generalization is even partly true, it has bearing on social policy. For the direct purchasers of the raw materials or producers' goods, the prices of which tend to be set by cartels, will be other industries. If eventually the cartels should be few in number and the industries buying their products should be large in number, the movement to do something about it, perhaps for the Government to regulate prices, will move faster than if it was only of interest to the ultimate consumer. A business which faces keen competition will not like another business which has eliminated competition, especially if it has to buy at monopoly prices. Higher prices on raw materials or producers' goods will tend to be passed off on the ultimate consumer; but the total volume of sales will be less than with lower prices.

Monopolies seek more profits

ALL this seems to imply that, with competition greatly restricted or eliminated, there will be need of governmental control of prices. Let us suppose that there will be no such governmental control. How then will prices be set? Under the economic system that we have known, prices are automatically regulated by competition. But monopoly prices have no such automatic regulation. The monopolist tries to set a price that will give him the greatest total profit on his total sales. He cannot tell exactly what that price will be, but in trying to tell he tends to set the price up and to keep it up. Monopolistic price rises are automatically checked

when the consumer refuses to buy.

The consumer may refuse to buy for many reasons of which two are notable. One is that he will use a substitute which he can get at a lower price. Under a cartel system there is a good deal of buying of substitutes especially in the case of commodities where the demand is highly elastic. There are many goods for which the demand is rather inelastic, for which there are few substitutes. This

may be true of consumers' goods like salt or matches, or of producers' goods like oil, steel, or coal.

When competition is weakened greatly in these industries, recourse to substitutes is not feasible. It is probable that, in general, the ultimate consumer has more recourse to substitutes than has the buyer of producers' goods. But if the basic commodities have cartel prices, all manner of consumers' goods will be affected and the choice of cheaper substitutes will be limited. The automatic check to high prices through the choice of substitutes by consumers is thus not always effective.

The other reason why the consumer will refuse to buy is that he has no money to pay the high prices. This is an automatic check under a régime of cartel prices, and occurs also sometimes in an economic system based on competition, as of course does also the check of buying cheaper substitutes. This shortage of purchasing power on the part of the consumer results for various reasons so far as a particular purchaser is concerned. It is not, however, with individual purchases that we are concerned. It is the mass movements in purchasing power resulting in declines that serve as checks on prices in general.

Prices and purchasing power

IF THE ups and downs of purchasing power were paralleled by ups and downs of prices, so that there was never any shortage of purchasing power, there would be fewer buyers' strikes, except in special instances such as that in anticipation of deflation. But the movements of prices are not always paralleled by the movements of purchasing power. Sometimes purchasing power moves up faster than prices. Such is the case in the opening up of a new market or in the unexpected growth of population. In such periods, there are good times.

But often prices tend to pull away from purchasing power. This is particularly true when the flow of money, derived from the sale of goods, into the hands of consumers especially through wages and salaries is retarded. This may happen when profits increase and do not flow out into purchases. For instance, in the latter part of the decade after the War, the percentage of all the sales of manufactured goods that went to wage earners and salaried persons diminished steadily from year to year until the business depression came. Prices may also pull away from purchasing power, by being advanced unduly, by cartels, in overestimation of

the market, because of fear of inflation, or for various other causes.

When prices pull away from purchasing power, we have a situation favorable to a business depression. If the total value in money of all the goods and services becomes more than the total purchasing power of all buyers, production slows up, prices are cut to dispose of

"UNDER the codes now being adopted, much good planning can be done toward preventing business failures . . . but the crucial question will be price and the test will be the business cycle"

the goods produced and the downward spiral is begun. This goes on until prices are lowered within range of the available purchasing power.

In other words, time brings an automatic check in a non-competitive system of economics on cartel prices. The check of buying substitutes is apparently never quite enough. Time brings a check in the form of a business depression, which is much more painful than the check of competition. Of course, there are business depressions of which there are many causes under competition but it would appear that a cartel system will precipitate them more than a competitive system.

The NRA has served to educate the manufacturer and the merchant as never before to the theory of purchasing power. I recall in 1914 talking with a merchant who bitterly opposed a minimum wage law. I admitted that it would raise the wages of his saleswomen and hence his costs but also argued that it would give women all over the city more money with which to purchase at his department store. He was never convinced.

Now, it is almost a truism. Raising wages in a single establishment or industry will not do the trick, but if wages can be raised everywhere, then a better market is produced. This is why speed and the blanket-like nature of NRA operations are so essential. It will be too bad for those wage earners or salaried workers whose wages are not raised. Naturally wages cannot be raised merely by taking thought any more than we can lift ourselves by our boot straps. But expanding bank credit and an increased volume of money will help.

In the past, expanding markets (i.e. purchasing power) for American goods have been favorable because of accumu-

lating wealth, an increasing population, and growing foreign markets.

In the future, our wealth will increase, but our foreign markets will probably not grow so rapidly, and in a few decades we shall probably be facing a declining population. It is, therefore, time we were getting educated to the purchasing power theory.

The purchasing power theory is particularly important where trends are away from competition and toward cartels, because under such trends the ratios of prices to purchasing power are the index of the most important automatic check to cartel prices. But do we want an economic system that depends for a check on prices upon an economic catyclism every few years?

Perhaps this may be an extreme assumption, yet there is much evidence to

indicate that the business cycle becomes particularly important under a less competitive economic system. There is a probability indeed that the business depression might become even more severe under a cartel system. Experience in Europe has shown that the cartels try to maintain prices longer than the competitive industries, and thus prolong inevitable adjustment.

Regulated by the business cycle

NO DOUBT the promulgators of the New Deal do not contemplate uncontrolled cartels and monopoly prices. They talk in terms of a planned economy. Under the codes now being adopted, much good planning can be done. This may be done not only in eradicating unfair competition, in abolishing child labor, in setting shorter hours and higher wages, but also in conserving natural resources, in preventing failures, and in other desirable social activities. But the crucial question will be price, and the test will be the business cycle.

What will the planning be in regard to price, in regard to the business cycle? The conservative business man doesn't want a crash any more than the progressive. Nor does he want prices to go so high as to produce a buyers' strike.

One of the essential factors in control whether by industry itself or by the Government is information. What is needed is information regarding prices and purchasing power; about costs, pay rolls, and employment. These data should be required in all codes.

As the evolution of our economic life proceeds, the barometer of our economic weather will be the ratio of prices to purchasing power. These ratios cannot be determined except on the basis of a

(Continued on page 73)

Developments in Distribution

DISTRIBUTION machinery is being constantly reshaped to meet the changing needs and requirements of the people. It is not and cannot be a static thing

★ **MORE** than 40 retailers in a western town are using cooperative advertising to urge debtors to refinance their indebtedness through a local finance company. Indebtedness of the debtor is transferred by the creditor retailers to the finance company, which discounts the debtor's note calling for regular payments. The cash goes to the retailers at once, they, individually and as a group, usually endorsing the note.

◆ **PRICE** guarantees are being used to stress rising prices by several stores. A Washington store tagged fur-trimmed coats on sale: "This article is being sold for less than today's replacement price. If, after you purchase it, the price should be lowered for any reason before December 1, we will gladly give you either a cash refund or credit your account." A Detroit store attached a similar guarantee to furniture on sale.

◆ **A TEXAS** department store has opened a "Properteria" department for selling real estate. Minute movies of each property permit prospects to view as many as 100 homes without leaving their easy chairs in the new department. Another new merchandising device employed is a display unit which shows details of each property, including a map which reveals the character of the neighborhood, transportation, school and church facilities, a photograph of the house from the street, and a sketch of the house interior.

◆ **ICING** for cakes, puddings, etc., is now being sold in collapsible metal tubes. The tubes are also being made for other foods—fish pastes, honey, peanut butter, salad dressings, sandwich spreads and soup pastes.

◆ **TWO** western baking companies are promoting cookie sales through novel merchandising ideas. One has introduced a large jig-saw cookie, offered in five types—pigs, cows, horses, rhinos, elephants. A die cuts segments nearly through before the cookies are baked and they are packed unbroken, two to the package. The other company has introduced "mystery cookies." The label on their container explains: "There are ten ingredients. Guess eight

right and win a handsome prize." The prize is a jar of another kind of cookies, made by the same company.

◆ **NEW** and novel re-use containers keep bobbing up: A spice company is packing prepared mustard in a graduated glass container which serves as a measuring cup when empty; an oil company is marketing a household polish pack containing a liquid wax bottle which, through a lamp shade and fixture offered with the pack, can be converted into a table lamp; another company promoted summer tea sales by offering 100 two-cup tea bags in an iced tea pitcher sealed with transparent cellulose.

◆ **GRAPEFRUIT** and apples are expected to be marketed soon in open-mesh cotton bags, such as are now widely used for Florida oranges. California oranges are also now being packed and marketed on the East Coast in these bags. Brought to New York via the Panama Canal in special crates, the western fruit is inspected, bagged and sold direct to distributors at packing units established at tidewater terminals.

◆ **TWO** eastern motor-truck lines are interchanging loaded trailer trucks, much as railroads interchange freight cars. One company operates between Maryland and New York, the other between New York and Boston. Tractor trucks handle loads originating in one company's territory and destined for delivery in territory of the other, the truck of the one company uncoupling from the trailer and that of the other coupling on at a joint terminal which has been set up in Newark, N. J.

◆ **COURTESY** road service is building good will for a Cleveland oil company and its products. The company has equipped two trucks with air compressors, tire repair tools, gas, oil, etc., sends them out on week-ends and holidays in quest of motorists in trouble. To all such the truck drivers proffer their services without obligation or charge, except for materials.

◆ **AN AUTOMOBILE** manufacturing company has devised a double-purpose radio program, aimed both at selling cars to consumers and recruiting dealers to handle

them. . . . A Detroit company is seeking electric refrigerator sales through programs featuring an organist, violinist and vocalist who are state prison inmates—the entertainers are known by numbers, not by names, and the program comes, of course, by remote control.

◆ **A RADIO** manufacturer is spurring sales of auto radios by offering free with each set a year's insurance against loss or damage by lightning, fire, theft, wind or explosion while installed in the owner's car.

◆ **THE TEXTILE** industry, long centered in the East and South, has established outposts in the Middle West. An executive of one of these pioneering—and growing—mills, established near Chicago, cites as advantages of its location: quick transportation of finished goods to selling outlets in St. Louis, Cincinnati, Cleveland and other large cities, cheap transportation of cotton from the South via the now-completed Illinois Waterway. An admitted disadvantage is lack of a supply of skilled labor.

◆ **WHEN** a large New York department store recently inaugurated deferred payments in its home furnishings departments it worked out a "budget plan" unusual in many of its details. Down payments of 25 per cent of the purchase are required, with no carrying charge if the balance is paid within three months. The plan may be used only with purchases of \$100 or more. On \$100 purchases, up to four months' credit extension is given with carrying charges of \$1.50; on \$150 to \$200 purchases six months; \$200 to \$300 seven months, and more than \$300 a maximum of ten months.

◆ **ODD LOTS:** A ginger-ale company has launched a new carbonated coffee drink, prepared with coffee, sugar, flavors and carbonated water. . . . A Chicago department store recently offered bargains so unusual that Ripley's "Believe it or not" phrase was used to head the advertisement announcing them. . . . A western bus company has adopted a practice of the air lines and is employing stewardesses on its passenger buses. . . . A Buffalo retailer of electrical appliances offers to place electrical refrigerators in housewives' kitchens for free trials, reports that, once placed, completion of the sale is easy. . . . Evergreens are now being preserved like rosebushes during shipment.

—PAUL H. HAYWARD

EDITOR'S NOTE—Further information on any of these items can be had by writing us.



OCTOBER · 1933

Vol. 21, No. 10

Published at Washington by the Chamber of Commerce of the United States

Charting the Course of Business...

The famous section 7(a) . . .

★ IN THE beginnings of the NRA, the talk as codes were drafted was of minimum wages, of maximum hours, of fair differentials between sections of the country where living costs and conditions differed. Of late the talk has been of the recognition or non-recognition of labor unions. The American Federation of Labor has grown more belligerent in its demand. Union or non-union is the most serious hazard in the course of the NRA. Even its well wishers admit this. Its enemies, if any there be, rejoice secretly.

In this issue, then, read carefully the article on page 13 on organized labor's attitude by William Green, the Federation President. Read also the statement of President Harriman of the United States Chamber summarized on page 15.

The text of NIRA seemed clear on the subject. Here are the pertinent clauses of Section 7 (a):

That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

The automobile industry in adopting its short code accepted these provisions and added:

Without in any way attempting to qualify or modify, by interpretation, the foregoing requirements of the National Industrial Recovery Act, employers in this industry may exercise their right to select, retain or advance employees on the basis of individual merit, without regard to their membership or non-membership in any organization.

It would seem that such a declaration would be all that the National Recovery Administration could ask or could expect.

Apparently it is not. The newspapers of September 7 carried the announcement that Administrator Johnson would allow no further clarification of the labor guarantee and "that such language as inserted in the automobile code relative to the merit system for employees would be stricken from other industrial agreements."

A step backward and a dangerous step, a step away from business freedom towards union domination.

Effects of the cotton tax . . .

★ THE simplest of codes for the smallest of industries presents problems. But what of such an industry as that of

cotton manufacturing which must not only prepare a code upon which worker and employer, North and South, can agree, but must also face the questions raised by the Agricultural Adjustment Administration with its limitation of raw material output and its processing tax on materials and manufactured products already on hand?

Here's a maker of cotton mattresses. He uses a low grade cotton which he bought at a low price, and he has on hand a stock made to sell on that basis. Along comes a tax of 4.2 cents a pound. A cotton mattress weighs a good deal and he fears he may have to raise his prices to a point where the customer will buy a mattress of another material.

In a country store are pounds—tons perhaps—of low priced overalls, work shirts and jumpers. They're heavy and made of comparatively inexpensive cotton. A tax of 4.2 cents a pound is a burden.

A hundred miles away in a shop dealing in women's apparel is a rack of cotton dresses. There might not be a pound of cotton in two or three of them. The tax means little or nothing except the burden of collection.

Beet sugar is shipped in cotton bags and tons of bagging are used yearly. There's a processing tax on bags and a floor tax on existing stocks. Cotton production is being cut and prices are looking up. The beet sugar industry looks about for a substitute bag, paper perhaps or jute.

The cotton industry sees a large market going and proposes some sort of compensating tax or duty to save itself from its paper competitor.

A tough and tangled job.

Arbitrating industrial problems...

★ IT IS no secret that there are honest differences of opinion on the wisdom and the consequences of the NRA experiment. That the idea should be qualified with individual self-interest is understandable enough where the human equation is so thoroughly involved. That these variations should be composed through the unifying influences of trade and industrial groups attests a practical patriotism. In a society where there is so high a degree of inter-dependence it is only rational that the administrators of the recovery legislation should seek a moratorium on disputes between employers and workers which would impede the progress toward good times.

The importance of preserving the *status quo* is brought into public view through the President's acknowledgement of the creation of a national board of arbitration, announced by the Administration's industrial and labor advisory boards. In it the President sees an act of economic statesmanship to be earnestly commended "to the public conscience." It is possible to believe that never was the need for industrial peace more emphasized by the intricate variables which business must

face. Whatever is done to assure opportunity for "collective bargaining," it must be evident that "strikes and lockouts will increase unemployment and create a condition clearly out of harmony with the spirit and purpose of the NRA."

Where "harmony" becomes the decisive watchword, the country can be counted on to see with the President "a compelling logic in calling upon management and labor to avoid any aggressive action threatening the recovery program."

Preparing for prosperity . . .

★ THE country today is engaging in a novel experiment. It is undertaking to prepare itself for prosperity. Long and arduous efforts have sometimes brought prosperity, but even with the discipline that goes with sustained endeavor there was not preparation for the problems prosperity itself brings. Besides, the prosperity which is now expected is to come rapidly, as such things go, and anything like sudden prosperity has always been disastrous for men and nations.

There has been no chance for advance training that would prepare individuals and institutions to meet the problems of prosperity and succeed in prolonging it by postponing those cumulative maladjustments which change the economic face of things and supplant confidence that honest work and straight thinking will bring rewards with a hopeless state of mind and a belief that no amount of effort and ability can make headway against adverse conditions.

The preparation which is now under way is not a course in physical culture, or in mind training, or in moral instruction. It is the creation of a new degree of economic equality among enterprises by raising subnormal elements of competition to levels accepted as proper standards.

The theory is that basic conditions of competition are very much alike for all enterprises, those who otherwise would not live up to the standards of competitors earnestly seeking to discharge their obligations to the public will not profit unduly and beyond their deserts from renewed general business activity. The proposition which underlies the preparations now going forward on a national scale is that renewed business activity in which there will be equitable opportunity for all to participate will mean sustained business activities.

Competition and efficiency . . .

★ MEDIOCRITY tends to prevail in the conduct of competitive business and the average level of intelligence holds sway. This is the conclusion of Dr. Horace Secrist, professor of economics at Northwestern University, after a study of thousands of firms over a period of ten years.

No one is safe against the competitive tactics of his neighbor, Dr. Secrist concludes. Should a firm which is superior in organization and management adopt a plan which promises success, it is obliged to meet the competition of firms less efficient. Soon or late, this competition upsets the plans of the efficient firm in the vicious circle of imitations and Dr. Secrist puts his faith in a planned economy—as a sort of graded and classified educational system.

"If those in a trade," he says, "assumed the responsibility of making currently known their costs and their profits, and specified the conditions growing out of their experience as to volume of business, the necessary accounting records and other information, and these facts by the trade or guild as a unit were forcefully brought to the attention of prospective entrants into the trade, this action might have the effect of discouraging those from entering who with almost perfect certainty will fail later."

It is no mere rhetorical question he poses in asking "has not the time come and the experience in part accumulated for the calculation of tables of trade mortality, and should not these be used by trades themselves in advising their own members of the conditions of survival and of the chance of death?" The fact that American business is now engaged in

an experiment toward a planned recovery on a national scale gives fresh point to the salty commentary of the late George W. Perkins, "Some day it is going to be crime not to make a profit."

Appreciation of the individual . . .

★ HOW free is the individual? Two foreign estimates are presented in the news. The present day trend toward centralization of economic control in the United States will result in an "economic tyranny" more powerful than any dictatorship, says Dr. Florian Znaniecki, professor of sociology at the University of Posen, lecturing in this country.

"It may not result in the same forms as it has in Russia," he believes. "It may be more like Italy. With this economic tyranny there will be no limit to power, for if you once secure economic control, all control is in your hands."

Here is another facet of his idea: "The supreme value of mankind is the human individual, and the human individual realizes himself only in free and creative cooperation with others."

In a speech decreeing police supervision for business, Dr. Kurt Schmitt, German Minister of Economics, declared that "the problems facing German business can be solved only by business itself; that is, by responsible leaders who have grown out of it. The State shall administer and with its economic policy provide leadership for business, but it cannot do business itself. Every attempt to socialize business is doomed to failure because of the human factor. What has made us great is the utilization of individual capacity."

As the pulpit sees recovery . . .

★ WHILE the President, professors, press, and politicians are interpreting the "new deal" to the public, the pulpit has its translators no less articulate. Three sermons preached on a summer Sunday in New York suggest how closely the church is watching the new order. At the Riverside Church, the Rev. Harry Emerson Fosdick told his congregation

. . . wise men now understand that with our mass production we cannot go on producing without millions of consumers, and that we cannot get millions of consumers without paying the great body of the common people wages high enough so that they can consume; so that the new prescription for prosperity is not to keep wages down to the lowest level, but to lift them to the highest level possible.

In his sermon at St. Paul's Chapel, Columbia University, Dr. Shailer Mathews said

The sort of thing Mr. Roosevelt is doing illustrates perfectly what might be called the Anglo-American method of revolution. It does not attempt to force the complete elimination of anything, but to develop more perfectly what is here and already known. The Continental type of revolution calls for a new premise outside of experience. Communism and Socialism demand something that is outside of all experience.

Russia and its grain . . .

★ THE Russian experiment still fascinates. A good many Americans have sought first hand knowledge and returned sadder, if not wiser. Not so Corliss Lamont, son of a partner of the House of Morgan, and his wife, Margaret Lamont. In "Russia Day by Day" (Covici-Friede), an account of a tour in the summer of 1932, they reflect a lively enthusiasm for the institutions of communism.

Here's a revealing paragraph:

The local Soviets requisitioned so much grain last year for the Government that not enough was left for this year's sowing. Accordingly, the Government this year sent down tons and tons of grain to provide seed for the sowing. But much of it never reached the fields, because the peasants ate a lot of it as bread and sold a lot more as a speculation in the open market. Such peasants,

therefore, had very little to sow and now have very little to reap. Some well informed Moscow residents . . . believe that the real cause of the present food crisis is that the Government has not been able to give sufficient goods to the peasant in return for wheat. The peasant, who is eminently hard-boiled and materialistic, simply stops producing under these conditions. . . .

As long as official seizure of the grain is rationalized as the good of the state, unwillingness of the peasants to produce wheat to be confiscated can be viewed as sabotage of a sort. Eloquence must indeed be made of sturdy stuff to convince the farmers that it is sheer stubbornness to refuse to grow more and more wheat when they are not permitted enough to eat out of last year's crop. What seems materialism in the individual, by convenient political interpretation, becomes government idealism, an elasticity of definition to which Americans are no strangers.

Thirty nations join on wheat . . .

★ THIRTY NATIONS have been able to agree! That is a notable accomplishment. Their feat was one of the parts of the world economic conference, too. And the subject matter was the very staff of life in which country after country had set up a determined nationalistic policy of making itself self-sufficient. To that end, they used soaring tariff structures, big premiums for domestic production, and restrictions upon the amount of foreign wheat that might go into their bread.

Perhaps the wheat agreement will have unexpected consequences. Arbitrary arrangements on the huge canvas of the world have almost a settled habit of doing that sort of thing. No statesman-painter, no group of them, yet evolved, has been able to keep in mind all portions of that vast canvas and see to it that the design is well done everywhere. Even the Ottawa agreement of the British Empire, prepared by men of one race and one flag, has had perturbing results the authors had not guessed. The latest is organized smuggling of silver coin out of New Zealand! Statesmen, outraged at the vagaries of things they did not know they were touching, may well command our sympathies when the merchants of the Antipodes grow wrathful over the lack of means for making change.

There may be a suggestion in the wheat conference for procedure in the Economic Conference. The International Chamber of Commerce made the suggestion in 1931. If 30 nations reached agreement upon a subject in which all were directly concerned, 30 others might repeat the fact as to another subject in which they were equally interested, while 64 gathered at London had their troubles in reaching an agreement even to take a recess.

The wheat conference had a method of approach that promised well. The four important exporting countries got into agreement that something should be done. They took advantage of the World Economic Conference to get the two minor exporting countries and the countries which are normally importers to sit down around a table.

The event was an undertaking all around. The exporters promised to decrease exports. The importers agreed, when the world price had risen ten cents more, to 63.6 cents gold, they would begin to take down their barriers against the exporters' wheat, and continue the process as the world price increased, meanwhile ceasing to encourage more wheat production in their countries.

Thus, the World Economic Conference has one more substantial accomplishment to show for all of the effort that went into it.

A public experiment . . .

★ THE Tennessee Valley Authority has so many possible activities that it is in danger of being made in St. Paul's phrase "all things to all men." To the farm reliever, it is an

experiment station which may make fertilizer cheaper; to the reclamationist it is a place to combat soil-erosion and study flood-control; to the social reformer it is a chance to try a new way of living wherein the industrial worker shall be part farmer and perhaps the farmer shall be part industrial worker.

But according to David E. Lilienthal, one of the directors of the Authority, the experiment of power production by a government agency is not to be forgotten. Mr. Lilienthal, once a Public Service Commissioner in Wisconsin, came out the other day with an announcement of the plans and purposes of the Tennessee Valley Authority of which he is one of the three directors. Here are sentences from his creed which is presumably that of his fellow directors:

The business of generating and distributing electric power is a public business.

The interest of the public in the widest possible use of power is superior to any private interest. Where the private interest and this public interest conflict, the public interest must prevail.

The fact that action by the Authority may have an adverse economic effect upon a privately owned utility should be a matter for the serious consideration of the Board in framing and executing its power program, but it is not the determining factor.

So believing, the Authority proposes to serve with power the regions within direct reach of the existing Muscle Shoals plant and the Norris Dam, then to include the whole drainage area of the Tennessee River and finally:

To make the area a workable one and a fair measure of public ownership, it should include several cities of substantial size (such as Chattanooga and Knoxville) and, ultimately, at least one city of more than a quarter million, within transmission distance, such as Birmingham, Memphis, Atlanta, or Louisville.

A program which may give the stockholders of existing utilities companies of the United States something to consider. And they should not think of it only in connection with the Tennessee Valley. They should remember the whole Roosevelt yardstick program—on the St. Lawrence, at Boulder Dam and in the Columbia River Basin.

Work for work's sake? . . .

★ THERE is something that shocks the American conscience in the suggestion made by Sir Josiah Stamp at the British Association for the Advancement of Science that in some way science in its discovery of new things and new ways of making old things should be slowed up until our economic understanding of how to use new things should increase. We have in this country always felt that scientific progress went hand in hand with economic and material progress; that the man who put an automobile within our reach bestowed upon us a blessing, not a curse.

It is hard to change that way of thinking even in the dark days of depression. If coal can be brought out of the earth without a miner crawling into the blackness and lugging it out on his back, must we put aside the newer methods because we know not how to provide for the miner whose job can be done by a machine? Must ditches be dug by hand to keep the ditch digger employed? Must we have work for work's sake?

Passing a small public park in Washington the other day, a boy saw a group of men mowing grass with scythes. "What a clumsy way of working," was his comment. He had never seen a scythe. Even a hand driven lawn mower was to him a waste of effort.

Yet his great grandfather saw a horse drawn mowing machine as an innovation and never dreamed of a machine that would harvest and thresh grain in the field.

With all deference to Sir Josiah and to other economists and "technocrats" who have urged that invention be checked, we still feel that there is enough intelligence in humanity to go on devising ways of lessening work without starving the man whose work is taken from him.

The NRA and the Small City

By JOHN KELLEY and PAUL McCREA

★ LATE in August a member of a civic club stopped at a laborer's home in a small city. To the woman who answered his knock he explained that he was seeking signatures to the National Recovery Administration's consumers' cards.

"You bet I know about the NRA," she said. "My husband was working for four dollars a week. Now he's getting 13 and our three children have enough to eat. Give me the card. I'd like to sign a dozen of them."

About that same time a fellow solicitor was getting a door slammed in his face. It developed that that housewife had been paying a maid ten cents an hour. The girl had left her to work for a concern which had gone under the Blue Eagle and was paying wages prescribed in its code. The housewife refused to cooperate with a Government that took her help away from her.

In still another part of town a righteous woman was refusing to sign because she could not be convinced that the NRA had nothing to do with the return of beer.

Such small dramas have been a largely unrecorded phase of the recovery program. Attention has been focussed on Washington, where the strategies were being mapped, rather than on the small towns where they were being carried out.

There had been tales that these strategies were palling on the men who were trying to put them into effect. Rumor said that inequities and hardships developing under the codes were sapping the fine enthusiasm which attended the inauguration of the NRA program. If one listened closely it was not difficult to hear predictions that the whole arrangement would collapse because small business men, on whom its success depended, were unable or unwilling to follow its provisions.

To determine how far these things were true NATION'S BUSINESS sent two of its staff to a certain small city to in-



One pointed to an article he formerly bought for 44 cents. The price had climbed to \$1.05



NATION'S BUSINESS sent two of its staff to a small city to investigate the rumors that business men were dissatisfied with NRA and refusing to cooperate. This is the report they made after talking with the business men

interview business men. The town, which will be nameless here, was selected almost at random. It may or may not be a representative town. It is, at any rate, an energetic town with progressive business men. It is unusual in that it has had no bank failures and a negligible unemployment problem. Although it has only 7,000 people, its trade area embraces a farming country with 80,000 population. No nearby cities of comparable size complicate its competitive problems.

Early in September, 80 per cent of its business houses were under the Blue

Eagle. Two-thirds of its homes had signed consumers' cards and the drive was still going on. It was estimated that the NRA had already created 150 new jobs and increased innumerable salaries. Individual employers, coming under the codes, had increased pay rolls from five to 240 per cent.

Making it work

THIS record would indicate that the town had accepted the Blue Eagle and was trying to abide by its teachings. Its business men had had at least a brief opportunity to decide whether they were for the NRA or against it.

Those interviewed were unanimously for it.

"It has to work," was a common expression, "what will happen if it doesn't?"

Nobody would attempt to define the doom which waits on failure, although many outlined the benefits they expected from the code's successful operation.

"The code will increase our cost of operation," one man said, "but if it accomplishes the purpose of stimulating business as a whole, we are willing to take lower profits for the good of the country."

"I am for anything that will kill cut-throat competition," said another. The fact that he had increased his pay roll \$100 a week and his number of em-

ployees by 25 per cent had not tempered his enthusiasm.

"If it puts me on a fair standard of competition with other business men I am sure I can succeed."

By September 1 none of these long-range expectations had been realized. Most men set 60 or 90 days as the minimum time they must wait for benefits.

"I think I can hold out that long," one merchant said. "Those who can't probably will go broke."

Most of them seemed willing to take that chance. A garage man, who had

SIMPLIFIED Office Lithography

for NEW STANDARDS of SPEED, QUALITY, ECONOMY!

The How of Multilith



Images to be reproduced by MULTILITH can be drawn directly upon the plate with crayon, pen or brush and ink; or traced through special carbon paper. Artists' sketches, drawings, business forms, and other similar material can thus be reproduced in quantities in a few minute's time, all with the richness which identifies true lithographic work.



Letters, bulletins, instruction sheets, etc., can be produced by typewriting the copy directly upon the MULTILITH plate, through a special ribbon. As described above, the copy can be illustrated with sketches or drawings made upon the same plate. The plate can be immediately placed in the machine, and quantity copies produced.



Complicated subjects, or those involving the use of halftone screens, can be photographed upon a negative, which is then placed in contact with a sensitized MULTILITH plate. The image is printed upon the plate by exposure to light, and then developed in all its detail, ready for reproduction.

Multilith

TRADE MARK

MULTIGRAPH'S LATEST BIG ACHIEVEMENT!

Thirty years of successful experience in designing and building office duplicating and printing equipment are behind this new machine . . . *the first equipment to bring lithography within the scope of layman utility!*

Now, right in your own office, you can produce letterheads, letters, charts, maps, catalog pages, advertising and sales material, drawings, illustrations, business and factory forms, etc., with the speed, quality and economy that only lithography makes possible. Simple subjects can be reproduced *within a few moment's time* . . . more complicated subjects can be reproduced *within a half hour's time!*

The simplicity of preparing plates for MULTILITH reproduction is illustrated and described at the left. Consider the opportunities which this remarkable new method of lithographic printing will open for you. New economies in printing . . . new profits from increased sales promotion activities . . . in MULTILITH you have an ideal office unit to fill a large percentage of your printing requirements.

SEE MULTILITH DEMONSTRATED!

The Multilith Sales Agency in your locality is ready to demonstrate the SPEED, QUALITY and ECONOMY of MULTILITH at your convenience, without obligation. Phone now for an appointment, or send coupon for further details and actual samples of MULTILITH work.

Addressograph-Multigraph Corporation, Cleveland, Ohio.



Multigraph

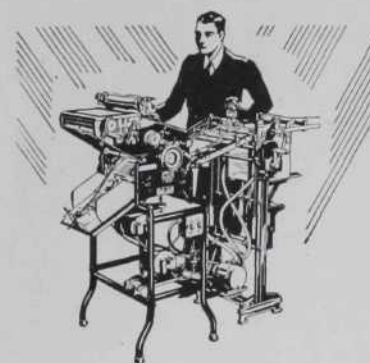
TRADE MARK

Two Models Ready



Model 200 MULTILITH

The world's lowest priced lithographic machine. Recommended for the duplicating of letterheads, letters, office and factory forms, drawings, type areas, and other subjects not involving halftone screens or heavy solids. Machine speed 4000 per hour.



Model 296 MULTILITH

A very compact and completely automatic offset lithographic press for layman operation. Reproduces photographs, illustrations, advertisements, maps, letterheads, forms, etc.; in fact, any line or tone subject within its range of capabilities. Machine speed 5000 per hour.

Please send me actual samples of work produced by MULTILITH.

Name

Address

City State

When writing to ADDRESSOGRAPH-MULTIGRAPH CORPORATION please mention Nation's Business

not signed, summed up the general view. He intended to sign in a day or so and put on another man.

"It will mean a hardship," he said, "because we are making nothing now. But we are willing to carry a heavier load temporarily if it will help."

This heavier load takes many forms—increased pay rolls with no attendant jump in sales or prices; failure of competitors to cooperate; shortened hours of operation, and others.

Apparently the enlarged spending power represented by increased employment and higher wages was not yet being reflected in sales.

One man who signed the code reported that three of his employees had bought new clothing with their first pay checks under the new regime, however. His own business had not improved, he said.

Most retailers felt that theirs hadn't either. Several reasons were given for the lag.

"People have had no money for so long that, when they get it, they hang on to it," said a banker.

Several business men, not merchants, felt that the new money was being used to pay off accumulated debts.

"Collections are better," they said.

A grocer added some substantiation

munity. Following adoption of the blanket code, they were shortened. The new schedule of operation was not popular.

One man, not a merchant, declared that it showed lack of appreciation of obligations under the code.

A matter of expediency

"THEY have shortened store hours to meet the code's limitation of working hours," he said, "rather than put on new men."

The Chamber of Commerce secretary commented on this development.

"It probably isn't within the letter of the code," he said, "but these things have to be interpreted with common sense. The merchants have employed additional people and many of them couldn't afford to put on any more. They are doing the best they can and that is all that is required. The idea back of this movement isn't to force people into bankruptcy."

The merchants themselves felt some alarm over the new arrangement. One explained:

"The majority of our customers are farmers. They come to town early and are ready to buy not later than 8 o'clock. Their families come in to the theater

they could find no store open where they could buy before going home."

Many retailers felt that this would drive their trade to the family-operated crossroads stores which, according to local report, were paying little attention to the recovery campaign. A merchant, who had just returned from a trip through the nearby territory, said that he found no NRA signs and that nobody seemed to know anything about codes or the general program of the Administration.

"These stores," he said, "not only will be able to stay open early and late, but they will be able to beat our prices if we try to pass our increased costs on to the consumers."

Fear of this kind of competition was aggravated by doubt as to how much cooperation could be expected from the customer. The general impression was that, in spite of the willingness to sign consumers' cards, the store that could sell for less would get the business whether it had the Blue Eagle or not.

"You can't change human nature," one man said, "and it's human nature to buy at the lowest possible price."

Another merchant reported that, although he had signed the code, and many of his competitors hadn't, his business wasn't any better.

"Only one man ever mentioned the code," he said. "That was before we signed. He threatened to quit trading here because we didn't have a Blue Eagle. I think he was joking."

Although this retailer had increased his pay roll 35 per cent after signing the code, he had not, he said, passed this added expense on to his customers. Only one retailer said that he had increased prices for this reason. He was able to discern no loss of trade, he reported, and felt that "higher prices were a good thing."

Low prices go high

SEVERAL retailers believed that certain manufacturers were boosting prices solely because of such a feeling. One pointed to an article which he formerly bought for 44 cents. The price had climbed to \$1.05, with the manufacturer's acceptance of the NRA code given as the reason. The retailer was skeptical. In another store, the owner explained that a davenport then selling for \$58 sold for \$28 on May 1.

"This is the most inexpensive in its line," he explained, "and customers who buy it do so because they can't pay more. People won't pay the new price."

Another retailer felt that the threat of higher prices had caused many of his customers to make purchases earlier than they might have otherwise. A department-store operator said he had heard no complaints because of higher prices and had no fear of such com-

(Continued on page 75)



I have stood on the street after the show Saturday night and heard farmers complain because they could not buy

to this belief. Three men he had been carrying were now paying regularly on their accounts, he said.

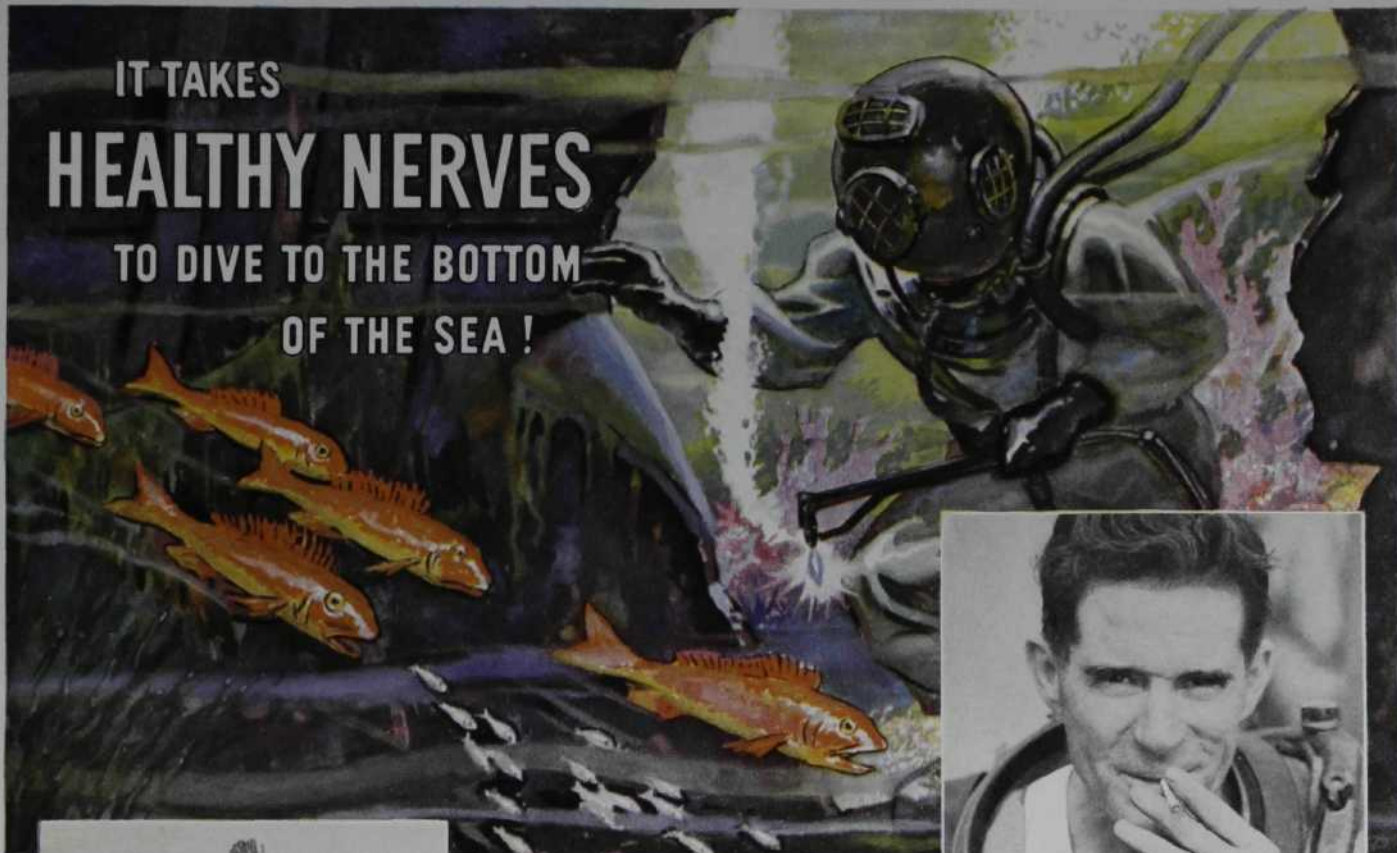
"But," he added, "general collections are no better."

This matter was causing less worry, however, than the question of hours. Store hours had been long in this com-

on Saturday nights and want to shop after the show.

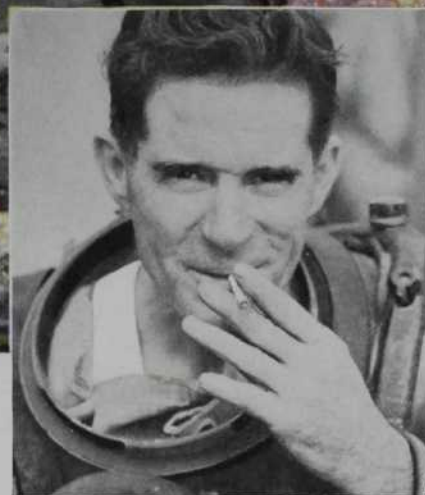
"Since we have begun opening the store later, at 9:00 a.m., I have sat inside from 8 o'clock on and watched 20 to 30 people try the door. I have stood on the street after the show Saturday night and heard farmers complain that

IT TAKES
HEALTHY NERVES
TO DIVE TO THE BOTTOM
OF THE SEA!



● **PROWLING ACROSS THE OCEAN FLOOR...** beneath thousands of tons of water... a deep-sea diver finds that healthy nerves are essential. His very life may depend upon his nerves.

● **LEFT—DIVING FOR FUN** calls for healthy nerves, too! You can smoke all you want and never have jangled nerves, if you switch to Camels.



● **FRANK CRILLEY**, champion deep-sea diver, holder of the Congressional Medal of Honor and the Navy Cross, says: "Camels never upset my nerves."

Steady Smokers turn to Camels

FRANK CRILLEY says, "Deep down under 300 feet of water, working feverishly under terrific pressure — no place for a nervous man! That's why a diver's nerves must *always* be in perfect condition. And that's why I smoke Camels and have smoked them for years. They are a milder cigarette and they taste better. But more important than that to me—they never upset my nervous system."

* * *

Camel's costlier tobaccos *are* milder, do taste better. They never get on the nerves. Men and women whose very lives depend on healthy nerves have discovered this. *Your* nerves will confirm it. Start smoking Camels today!

IT IS MORE FUN TO KNOW

Camels are made from finer, MORE EXPENSIVE tobaccos than any other popular brand. You will find Camels rich in flavor and delightfully mild!



Camel's Costlier Tobaccos

**NEVER GET ON YOUR NERVES
NEVER TIRE YOUR TASTE**

Copyright, 1933,
R. J. Reynolds Tobacco Company

When ALCOA Aluminum Rides the Rails

Prophecy fulfilled in three short years!
Advertisement below appeared in the
Saturday Evening Post, June 21, 1930.



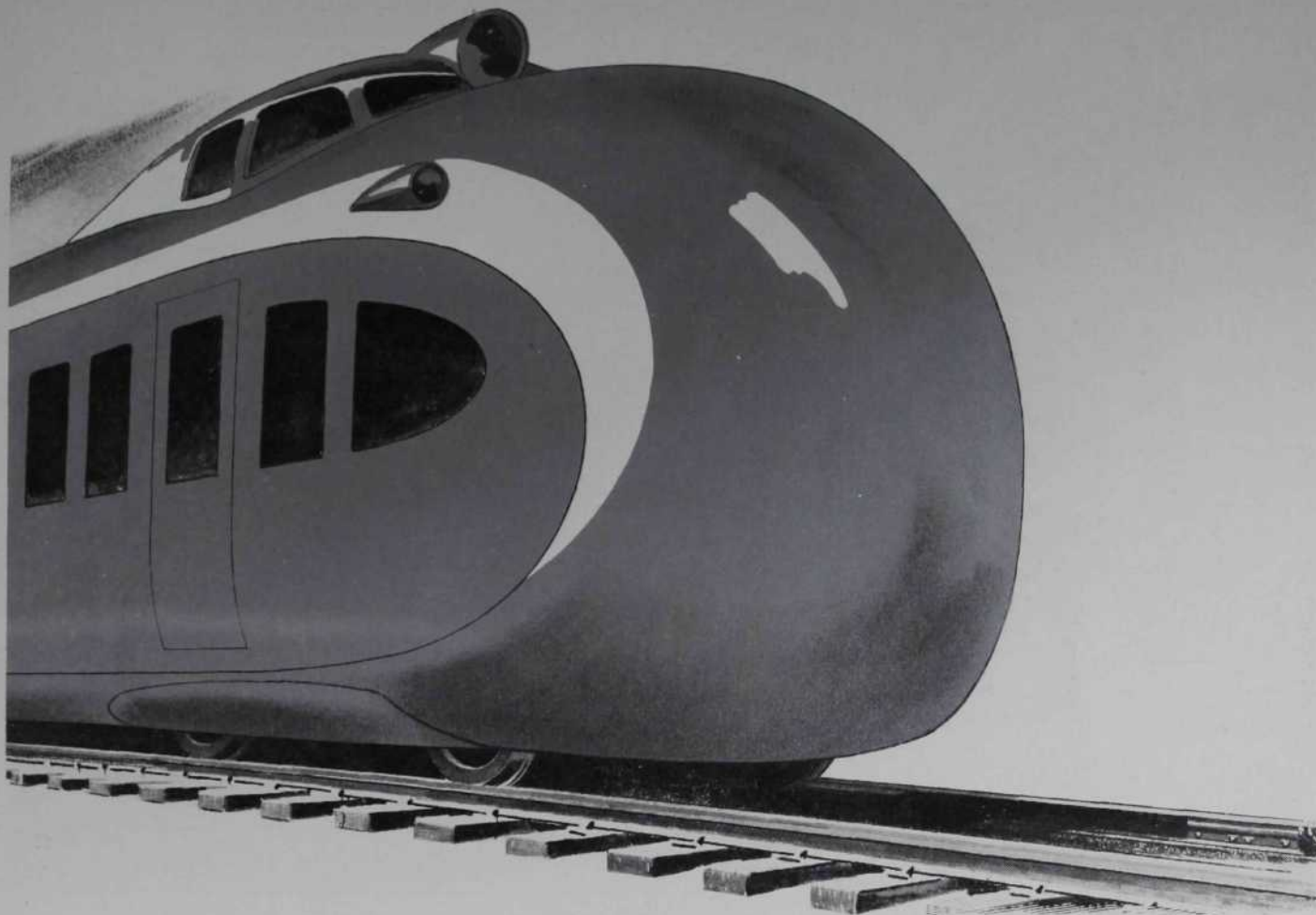
there is Safety, Speed and Savings

The modern trend in rolling stock—Union Pacific's Rail-Plane—a new high speed, light weight, stream-lined train, made of Alcoa Aluminum alloys. Everything's smooth—not a break in contour from stem to stern. Its three-car unit carries the engine, railway postoffice, baggage car, buffet diner, and 116 passengers—the equivalent of an ordinary passenger locomotive and train. Yet altogether this train weighs even less than a standard single Pullman car. Powered with a 12-cylinder automotive engine, 600 horsepower carries this train as fast as 110 miles per hour—contrasted with 2000 to 4000 horsepower needed to haul ordinary fast trains. Faster, safer, more comfortable, it actually costs less per passenger mile to operate than a motor bus!



"Help us re-design—help us give better service more economically," the railroads are asking the equipment companies. And the latter are answering with radically *new* trains—stream-lined trains, motor-powered trains, *trains made of the light, strong alloys of Alcoa Aluminum*. Using this metal, tons of needless dead-weight are eliminated, yet structural parts are actually thicker, sturdier, *safer*. With dead weight cut, speed is increased; starts, stops, acceleration are smoother; power and maintenance costs are greatly reduced. What Alcoa Aluminum brings to trains, it brings also to buses, truck bodies, elevators, tank cars—every unit of transportation.

ALCOA

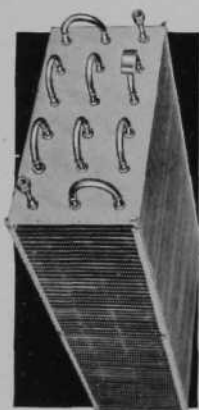


Every industry profits from Alcoa Aluminum

In every industry, the men who set the pace are investigating the possibilities of Alcoa Aluminum. Strong as structural steel, yet only $\frac{1}{3}$ as heavy, the alloys of this modern metal are lifting dead-weight from production equipment, increasing efficiency. They're non-contaminating, non-magnetic, high in heat and electrical conductivity.

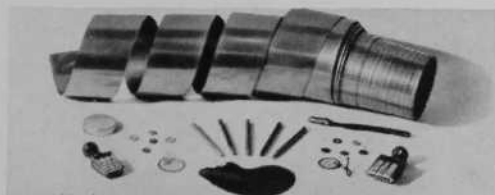
They bring light weight, durability, attractiveness to the finished product. In the factory, paint made with genuine Alcoa Albron powder as a pigment will brighten interiors, protect surfaces from rust, weathering, smoke and acid fumes.

Alcoa Aluminum can make your production more efficient, *your* product more saleable. Let us show you how. Also how to use, form and handle this metal. Address: ALUMINUM COMPANY of AMERICA; 1825 Gulf Building, PITTSBURGH, PA.



KEEP COOL WITH ALCOA ALUMINUM

Alcoa Aluminum, used for fins, tubings and fittings in these refrigerator coils, dissipates heat faster because of its high thermal conductivity. Easier to install, too, because of its light weight. Ideal for food refrigeration because it isn't affected by commonly-used refrigerants.



THAT FINISHING TOUCH

Thanks to Alumilite, the new protective finish for aluminum, your product can have a permanent, attractive, sales-stimulating color. Color becomes an integral part of the metal—it can't crack or flake, even when the colored product is stamped from a coil! Process owned by Aluminum Colors, Inc.

NO FEAT AT ALL

This man is lifting an Alcoa Aluminum casement window taller than he is and three times as wide. Because of its light weight it can be easily handled, easily installed. No warping. No splitting. No maintenance. No drip-staining of adjoining surfaces.



ALUMINUM



America's first Paper Mill - 1690

WILLIAM BRADFORD of Philadelphia, that colony's first printer, opened his shop there in 1685.

In 1690, William Rittenhouse, a German paper maker, built America's first paper mill at Germantown, Pennsylvania, to supply the needs of Philadelphia's printer—William Bradford.

From that early alliance between printer and paper maker there have grown two great industries, with progress in either matched by equal advancement in the other.

The development of Kleerfect—The Perfect Printing Paper—is the most recent and revolutionary achievement in the art and science of paper making.

In Kleerfect is accomplished the perfect relationship of the five desirable qualities of paper for good printing—strength, opacity, smooth surface, ink absorption, and color. One quality has not been gained at the expense of any other and all have been achieved at a price not above that of just printable paper.

Wire marks are eliminated due to special processing that gives the paper the same surface and the same color on both sides—qualities that printers have long sought in uncoated book papers.

Kleerfect has a color that permits fine tone differentials in printing and yet the non-glare surface is easy on the eye. Kleerfect has the strength required by modern presses and an opacity greater than old style papers of equal weights. Large areas of solid colors do not show through sheets of Kleerfect.

Kleerfect will meet the approval of publisher, printer, and advertiser for one color or multicolor printing and for rotogravure.

For printed sample write on your letterhead, please, to our Advertising Department in Chicago.

Kleerfect
REG. U. S. PAT. OFF.
THE PERFECT PRINTING PAPER
MANUFACTURED UNDER U. S. PAT. NO. 1,118,993

This advertisement is NOT printed on Kleerfect

KIMBERLY-CLARK CORPORATION • Established 1872 • NEENAH, WISCONSIN
 CHICAGO • 8 South Michigan Avenue • NEW YORK • 122 East 42nd Street • LOS ANGELES • 510 West Sixth Street

What Ails Chambers of Commerce?

By EDWARD A. FILENE President, Wm. Filene's Sons Co.

Illustrations by Charles Dunn

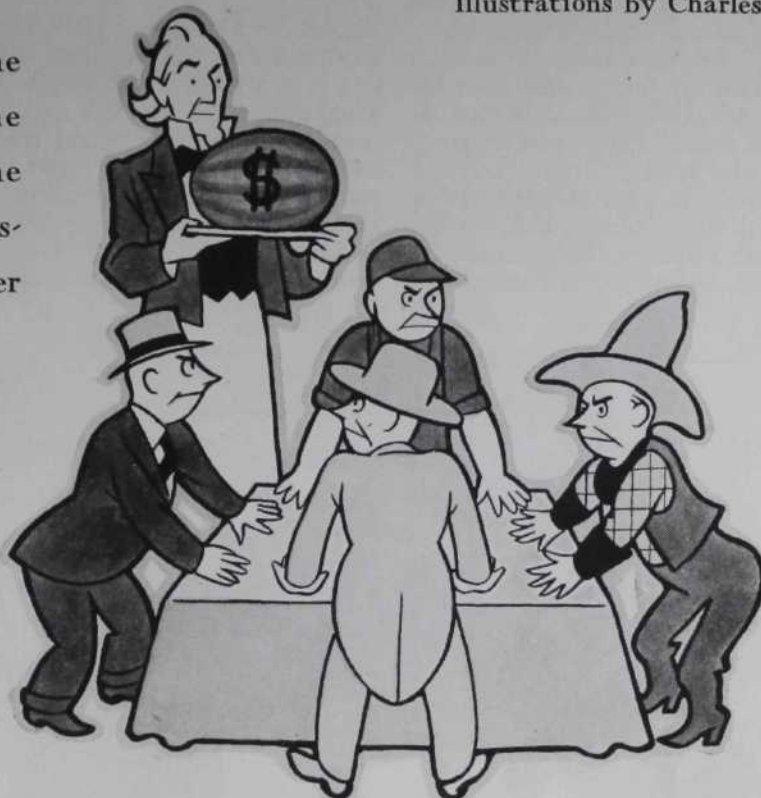
A LOYAL and active worker for the Chamber of Commerce, Mr. Filene gives here his personal views on the Chamber movement, suggesting a present weakness and a source of greater future strength

★ THE QUESTION "What is the Matter with the Chamber of Commerce?" is not new to chamber members. They have heard it from one source or another and on one occasion or another for years. It is being put more insistently lately, however, and many chamber members, studying developments of the past several years, are themselves asking the question and seeking an answer.

Personally, I think it is an excellent idea to have chambers of commerce throughout the United States and to have a United States Chamber of Commerce. Unfortunately, this is not exactly what we have now. We do not have chambers of commerce—we have chambers of people engaged in commerce. That is a somewhat different thing.

Take the Boston Chamber of Commerce, for instance, to which I belong and of which I am, I hope, a loyal member. It is composed of the best people engaged in commerce in Boston; but, candidly, how may it be depended upon to act upon a concrete proposal involving commerce? Say, for instance, a national appropriation for harbor improvement.

The answer is—and we may as well admit it—that we who are engaged in commerce in Boston would be in favor of almost any appropriation which would bring shipping to Boston. The New York Merchants Association could be depended upon to take a much different view. It would point out that all the shipping from everywhere should come to New York. The New Orleans Association of Commerce, on the other hand, would favor some port near the mouth of the Mississippi, while the Los Angeles Chamber of Commerce might see advantages in abandoning the



We aren't greedy. We merely want our share of benefits when anything is being passed around

Atlantic and the Gulf Coasts entirely, and making maximum use of the Panama Canal to the end that all passengers and freight might enjoy the full benefits of the California climate.

Stressing local benefits

IN the end, of course, none of us would get what we wanted. We would compromise and trade, promising our support for this and that claim of other cities in return for their support for the maximum that our city could hope to get.

We, of course, are not greedy. We just want our port to get its share of the benefits whenever anything is being passed around. I am not blaming anybody, because that is human nature. But it is not commerce. The needs of commerce can never be discovered on any such basis. The needs of commerce can be discovered only by discovering the needs of people everywhere. To attempt to regulate commerce by pork-

barrel methods is morally certain to injure commerce, and anything that is bad for commerce is bad for those engaged in it.

Our chief problem, in fact, is not how we as individuals, as a city, or even as a nation, shall get a larger share of the business which is being done, but how we may so increase the volume of business that our share may certainly be large, whether it is proportionately any larger than it was before or not.

Business men, surely, will not take issue with this statement. There is scarcely an employer with any experience with labor unionism who has not bewailed the short-sightedness of certain labor representatives who in the same breath demand higher wages and conditions which make the paying of higher wages impossible. We have no trouble at all in perceiving that such an attitude is short-sighted—when some one else takes it. We know that we cannot pay higher wages unless we do more business. But we do not always

realize that we cannot do more business under conditions which tend to keep more business from being done.

Our attitude toward the tariff—I mean the typical attitude of American business men—might be cited as an example. That attitude has been most unbusinesslike. It has been almost identical with the attitude of the most shortsighted walking delegate of the old-fashioned labor union, who managed to get such a strangle-hold upon certain employers that they had to agree to raise wages even if the decision meant that they must close down the plant.

There is less justification, in fact, for our attitude in this matter than the walking delegate's attitude toward us. It turned out, in many cases, that employers who were forced to pay high wages were compelled to find ways by which high wages could be paid; so they introduced better methods, eliminated waste, and eventually saved much more

hope to get. Our attitude will be largely determined by our eagerness for profits and what we learn as to how profits can be made. Each of us, of course, has certain ethical standards but none of us had very much to do with the creation of those standards. They came to us somehow, from the impact of social forces, from our religious and moral teachings and from our perception as to what other people consider right.

Developing our own leaders

WE get our education, largely, from one another. In our time, we have been getting it to a great extent from our mingling with other business men in the chambers of commerce and trade associations. I know of no better way to get it; but if this education is not sufficient to enable us to cope successfully with new problems as they arise, we may well ask if there is not something

in which Americans can come together to discover and apply a remedy for the ills which beset our country. One is the political way. The other is the business way.

I scarcely need to talk to business men about the folly of hoping for a political solution. The prime reason for this is that politics does not deal much with facts. It deals with feelings, sentiments and opinions. If the politicians knew how to remedy the existing situation (which they most certainly do not) they still could not apply the remedy. For they think they can do only what public sentiment permits them to do, and the public sentiment which reaches and controls the politicians is often but an aggregate of prejudices and traditions, in direct conflict with the realities of the situation, and capable of being changed only by emotional appeals which may excite and inflame but cannot possibly educate. In politics a fact, after all, is only a fact, but a popular line is a vote.

Business, on the other hand, does deal with facts. It must. If it doesn't do so, it breaks down; and when business breaks down, everything breaks down. Business deals with people quite as much as politics does. But business must deal with them realistically and objectively. It must discount their opinions and their prejudices and deal with them according to what they actually are.

Facts, not votes

WE never could have had the automobile, for instance, by voting for it. The majority would not have voted upon the facts of the automobile. They would have voted according to the prejudices which they had already acquired. They would have argued that automobiles would drive horse-driven traffic from the highways; and it would have been true, although the real truth, if it could have been comprehended, would have been an argument for, not against, the automobile. They would have said also, and those who intended to manufacture automobiles must have conceded the point, that only the rich could have motor cars.

Because it dealt with facts, however, and not with mere opinions, the automobile business was able to serve all America, and to enrich all America in a way in which the most perfect political government could not have served and enriched it.

I cite this one business only as an example of what business generally might do, with no end of profit to itself, if it were organized to serve and enrich the masses everywhere. Business need not follow political tactics. It may and can organize according to the facts. In our separate businesses, in fact, we must



The consumer should occupy the place of honor at every meeting

than they could have saved by retaining the old wage-scale. By no possibility, however, can the prohibition of trade result in more trade. The most that American business men could possibly hope for, in the very nature of their approach to the problem of tariff-making, was a greater share of a dwindling volume of business.

This is not a plea for free trade nor is it an intimation that I consider myself different from other American business men, and that I act upon a higher plane of reasoning than they. We are all much alike. We are all selfish. We are in business for the profits which we

wrong with the way in which we have been coming together.

I know of no great and wise teacher in this modern world whom we may unquestioningly follow. If there is to be leadership, we must develop it. The only leader it is possible for us to follow is the leader whom we ourselves create. If our business associations are not producing business leadership just now about the most that we can hope to do, it seems to me, is to analyze those associations and discover, if possible, why they do not produce the sort of leadership which business needs so sorely.

I can think of but two possible ways

THESE NEW BURROUGHS MACHINES HANDLE

INCREASED DEMAND FOR STATISTICS AND FIGURES

These new machines . . . new features . . . new developments are especially timely in view of the increased demand for more complete, more detailed, more accurate figures and statistics about your business. Burroughs can assist in bringing greater speed and greater simplicity to every kind of accounting and statistical work. Many of these new machines write several records in one operation; many machine operations are automatic; all are time-saving. Telephone the local Burroughs representative for complete information. Or write directly to Burroughs Adding Machine Co., Detroit, Mich.

For Sales Analyses

New Burroughs machines for analyzing sales by departments or commodities; by territories; by kind or size of containers or packages; with taxes, exemptions, deductions. Usually only one handling of the original record is required. Cost of sales computed quickly, easily and accurately.

For Cost and Production Records

Newly designed Burroughs machines—computing by high-speed direct multiplication—automatically accumulate multiple totals of hours, pieces, amounts. This greatly simplifies handling labor, material, and overhead figures, whether by job cost, standard cost, process cost, or any other plan.

For Payroll, Timekeeping and Labor Statistics

New Burroughs machines compute earnings and, in one operation, prepare all records, including employees' earnings, payroll sheet, pay check or pay envelope. They automatically accumulate such labor statistics as hours, earnings, various deductions, and net pay for any desired period as a by-product.

For General Statistics

Newly designed Burroughs machines—with an especially high-speed computing mechanism—that calculate percentages; that pro-rate overhead and other expenses; that calculate cost per unit and provide other similar figure information and statistics.



Burroughs



When phoning your local BURROUGHS dealer please mention Nation's Business

follow the facts as we understand them; and if our businesses do not succeed, we do not quarrel with the facts—we conclude that there must be something faulty with our understanding.

There is no oracle, however, to whom we can go for an infallible revelation of business truth. So we go to each other, which is the sensible thing to do, on the theory that our combined knowledge will be greater than the little pile of information which we have individually acquired. As to details of trade practice, we go to our trade associations, read our trade magazines and attend our trade conferences. We get much help in this way; but most of us perceive that business is almost infinitely greater than any one line of business, and that there is something vitally necessary in business education, besides becoming acquainted with the details of one's own line.

Especially in times like these, when every industry seems to be waiting on every other industry, we want to know something more than how to improve our individual plants. Is there no move that business in general can make? Is there no place where all business men, from every ramification of business, can meet, not to debate but to discover what the trouble is?

Yes, there is the chamber of commerce. There is one in nearly every city, and there is a National and an International Chamber, too. I believe in them. I believed in them from the first, and I did what little I could to promote their organization. I think the chamber of commerce is the best machine we have with which to achieve the end we seek.

Voluntary cooperation

AS to our objectives, I think we are pretty well agreed. First, we want to find the business way out of this depression; then we want action in accordance with our findings. Most of us, I think, want this action to be voluntary. We do not want a dictatorship, even of the best business minds. But we have had enough of depression and stagnation; and if there is a way out, and it is a way which business men organized in their chambers of commerce are able to discover, there is reason to believe that American business will act upon the findings.

Here and there, I know, there are cries for a dictatorship, based upon the theory that Americans, with their life-long schooling in individualism, are incapable of concerted action. Well, that is either true or false; and if Americans are incapable of concerted action, they will not and cannot follow any dictator. But it is not true. Nowhere has the art

of concerted action ever been developed to the fine point to which it has been developed in American industry. Our different industries may not yet have learned to work together very well; but where thousands of persons can and do work as one to produce the results which American mass-production industries produce, it cannot be said that there is any natural incapacity for concerted action.

This art of concerted action was not forced upon the American people. It was taught to them by American business. It was not that our people had to buy mass-production products because there were no other products in the market; they bought them because they preferred them—because mass production gave them hitherto-unheard-of values for their money. And our workers did not hire themselves out to our mass-production industries in desperation; they went to work there because they were offered wages which workers had never known before.

It is true that modern industry could not have sold its theories to the American people in advance; but it sold both its product and its technique to the American masses, not by the methods of dictatorship, not even by seeking any

be what is the matter with them. But why have they not got around to it? Obviously, there must be something, either in the technique of the organization or its understanding of its purpose, which is preventing it.

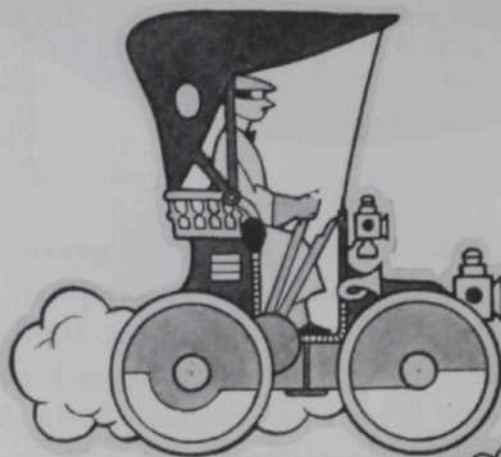
The consumer is missing

AT first glance, it seems to be organized adequately. All branches of business seem to be represented—producers, distributors, financiers, advertisers, accountants and organizations with special services to sell. When we look a little closer, however, we notice that one important element in the world of business seems to have no definite representation here—the most important element of all—the consumer.

To be sure, we are all consumers, but it is not as consumers that we meet in these business conferences. Perhaps that is one reason that they do not teach us as much as they should. Perhaps that explains to a large extent just why leadership has not been developed. Perhaps if we thought it all over, we would insist upon one more chair in every meeting and in every committee; and we should insist upon the consumer occupying that chair.

We all know, of course, that we cannot get anywhere in business without the Consumer. That may be the reason why we do not get anywhere in so many of these business conferences.

The Consumer need not come to these conferences with any ideas. He knows little about business and cares less. If he were asked how business should be organized to produce the best results, he could probably contribute nothing of



monopoly, but by following the line which fact-finding disclosed to be most productive and most profitable.

Is it too much to expect that American business, organized in its chambers of commerce, shall discover, by fact-finding methods, the most productive and the most profitable course for business as a whole to take? And if this course should prove to be most profitable for the masses of Americans, need we fear that it would not or could not be adopted?

Our chambers of commerce, to be sure, are not now doing this job. For some reason or other, they haven't got around to it. That, in a word, seems to



We never could have had the automobile by voting for it

In planning an Insurance Program for future needs, provide funds for temporary disabilities



Have a well-rounded Program of Protection. The Metropolitan's contracts afford a means to

- create estates and incomes for families
- pay off mortgages
- educate children
- provide income in the event of retirement
- establish business credits
- stabilize business organizations by indemnifying them against the loss of key-men
- provide group protection for employees covering accident, sickness, old age and death
- provide income on account of disability resulting from personal accident or sickness.

Metropolitan policies on individual lives, in various departments, range from \$1,000 up to \$500,000 or more, and from \$1,000 down to \$100 or less—premiums payable at convenient periods.

The Metropolitan is a mutual organization. Its assets are held for the benefit of its policyholders, and any divisible surplus is returned to its policyholders in the form of dividends.

WHEN planning your Insurance Program you should make provision for yourself as well as for those dependent on you. You may, like most men, be in good health today, but you will perhaps not always be so fortunate. Sickness or accident cannot be foreseen—but the loss they bring can be provided against so that your financial situation need not be affected.

Your Insurance Program may provide future incomes for your wife and yourself. It may assure education for your children. It may furnish money to pay off the mortgage on your home—if there is a mortgage. You have, in all probability, taken care of these various plans out

of income and with enough left on which to live comfortably.

But you may lack one safeguard without which it will be difficult to protect your plans for the future. Suppose serious illness or an accident interrupted or stopped your ability to earn money. Would not your plans be definitely upset?

Accident and Health Insurance as a part of your program will pay you a fixed amount for each week of disability if you are sick or have an accidental injury. Don't you need that protection also?

You can find out all about it from your Metropolitan Field-Man. Or mail this coupon.

Metropolitan Life Insurance Company,
1 Madison Avenue, (N)
New York, N. Y.

I am interested in finding out more about the safeguards provided by Accident and Health Insurance. Please send me further details.

NAME _____
ADDRESS _____
CITY _____
STATE _____



METROPOLITAN LIFE INSURANCE COMPANY

FREDERICK H. ECKER, PRESIDENT • • • ONE MADISON AVE., NEW YORK, N. Y.

When writing to METROPOLITAN LIFE INSURANCE COMPANY please mention Nation's Business

© 1933 M. L. I. CO.

What about the Watchmen . .



NOW . . .

Now with inventories building up again, the equipment and service of your watchmen become more important—there is more value in the plant to guard!

Many watchmen's clocks have been allowed to run downhill the past few years, along with much other equipment!

Now, with winter coming on—the time when fires are most likely to start—is a good time to check your watchmen's clocks. See if they are in proper repair and ready to furnish you unalterable proof of how the watchmen guard your property.

Detex Watchclock Systems, Newman, Patrol, Alert and Eco, today offer the finest value we have ever offered in 60 years of manufacturing and with 80,000 clocks in use in 50,000 plants.

● Look for the nearest Detex Dealer in the classified section of your local telephone directory under "Watchmen's Time Clocks." Representatives are located in all principal cities. Complete information on request. Approved by the Underwriters' Laboratories, Inc., and the Factory Mutuals Laboratory.

DETEX WATCHCLOCK CORPORATION

4153 Ravenswood Avenue, Chicago, Ill.
29 Beach St., Boston 80 Varick St., N. Y.
Room 800, 116 Marietta St., Atlanta

NB-10

DETEX

Representatives in all large cities in America and abroad

When writing please mention Nation's Business

any value. Any dummy, then, would do for our purposes—if we were to make it a point always to put him in the place of honor. And he would have to bring his dollar along because none of us can do business except in relation to the Consumer's dollar.

No business man, even if he is a consumer, could properly fill such a chair because he would almost certainly get in his own light. He would not always think of himself, and we would not always think of him, as a consumer—certainly not as The Consumer with the dollar to which all of us must relate our businesses if the businesses are to get anywhere at all.

We would know, also, where every business man lived. But we would not know where the Consumer lived, and we would have to find out. When we did find out, we would find that he lived in the strangest sort of places; and the discovery would be of incalculable importance to us.

When we are trying to sell goods, of course, we have no difficulty in remembering that the consumer lives everywhere, so we aim to sell everywhere if we can. But when we meet in these business conferences, and our eyes are allowed to drift for a moment from the consumer and his dollar, we get to imagining that he lives where we live and that he is an ass if he doesn't do all his trading with us.

If we live in Cincinnati, then, we want everybody to do all his trading in Cincinnati. If we live in Kalamazoo, we think everybody should do all his buying in Kalamazoo. If we live in Germany, France, Italy or America, we think that everything would be about all right if everybody would only buy German, buy French, buy Italian or buy American. If all the nationals did this, of course, it would strangle international trade; and if the consumers throughout America bought only local products, no manufacturer could sell anything out of town; and not only modern commerce but modern civilization would pass away.

Representing localities

I DO not charge, of course, that the chambers of commerce are committed to any such insane economic theory. I do say, however, that the traditions of the preindustrial societies are still so strong that most of us are inclined to meet, even in our chambers of commerce, not as representatives of commerce which necessarily tends to enlarge the horizons of trade, but as representatives of localities which, in the very nature of sectionalism, seek first the special advantages of each locality.

No program of advantage to any locality can possibly be worked out from such an approach. Any special advantage must be subtracted from the general

advantages which accrue when business is organized in every detail to give the utmost possible service to the greatest possible number of people.

If the Consumer were present in every business conference, and if he carried his dollar with him where all of us could study it, we could scarcely help discovering where that dollar comes from, and what makes it large and what makes it small. We would discover, then, that it is made large by simplifying and improving all the processes of commerce—all the processes involved in the production and exchange of goods and services; and we would discover that it is made small by waste or lost motion in any of these processes, by high prices, by low wages, by economic insecurity which discourages buying, and by permitting unemployment when there are so many things which everybody wants done and which scientifically organized employment could so profitably do.

Commerce opposes sectionalism

IN THE agrarian age, the only way out of depression and deprivation was by improving the processes of agriculture so that the soil could be made to yield enough to supply the needs of the little local groups which tilled it. In this commercial age, however, no such local viewpoint can be efficacious, and even the farmer must give his first attention to the organization of trade.

Commerce is the very antithesis of sectionalism. It expands and can expand only as man's horizons are enlarged and he can visualize his relations, not merely with those whom he sees daily but to that Ultimate Consumer who lives everywhere, and who, although he may know nothing about business technique, is the only person whose wishes are worth considering. He is the Man with the Dollar—the only dollar in which business is really interested. From his dollar must come all our profits, all our wages, everything which makes business worth while.

His absence from our conferences and committees is, after all, about the only important thing the matter with our chambers of commerce. So I propose him for membership immediately—membership in every chamber and membership in every committee. I do not mean, of course, any special consumer. I mean the consumer—the mass consumer. He is a newcomer in the world, for he was born of commerce; and until commercial practices were well advanced, almost any special consumer, or special group of consumers, would serve the needs of such business as there was.

For modern industry, however, serving special groups will no longer do. Our machines are too productive for that. Unless consumers everywhere can buy and use our products, the machine chokes and depression sets in.

If we keep him and his dollar always in our midst, we will become real chambers of commerce. We will still have our national chambers, to be sure, and the International Chamber; but commerce being what it is and the ultimate Consumer being what he is, every chamber will also become both national and international. Then we shall discuss commerce. Then we shall get somewhere with our problems. Then, we shall find out what business as a whole can do; and the findings will be so clear that business may be depended upon to do it.

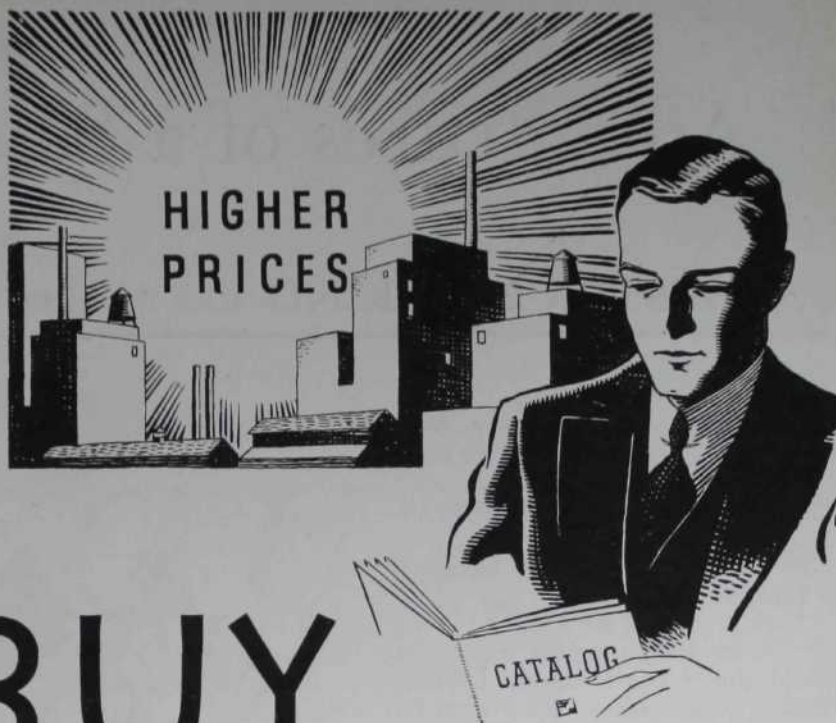
It may involve a national plan. It may involve considerably more regulation than many of us feel ready to welcome just now. Surely it must involve the abolition of unemployment. Just as business in the past has insisted upon the consumer consuming less than he theoretically might so that funds might be collected to be used as credit for the installation of better methods of production, business will no doubt now insist that the consumer consume more, and that credit be employed wherever necessary to cause him to consume more, so that these wonderfully productive processes shall not have to be discontinued. Whatever it involves, however, it will be the business way out of this depression, discovered by fact-finding and, therefore, carrying much more weight with all of us than anyone's opinion, even our own.

Chambers Aid Aviation

TO THE chambers of commerce is due much of the credit for the development in this country of the world's largest and most efficient air transportation system, according to Thomas A. Morgan, president of the Aeronautical Chamber of Commerce. When air transportation began its growth, chambers of commerce everywhere cooperated enthusiastically in the establishment of new air lines and new airports, and today almost 500 local chambers still have active aviation committees.

In 1926 these chambers of commerce caught the spirit of the Post Office Department, which in 1918 began to provide air mail service in accordance with its traditional policy of providing postal facilities of economic worth to the country. The air transport system which has grown up from the 2,500 miles of air mail routes available in 1926 is playing an increasingly important rôle in the economic life of the country.

Chamber of commerce impetus also played an important part in the existence today of nearly 700 commercial and almost as many municipal airports in place of the handful of indifferent fields available in 1926. This was community service on an unusual scale, Mr. Morgan declares.



BUY

... before this new day grows much older!

It is not the intent of the N. R. A. to discourage modernization of plants. This would be both short-sighted and stupid—quoting the words of General Johnson himself. He says: "I think that the necessary installation of new equipment should go forward."

Two things are obvious to every manufacturer. The first is that prices are going UP. The second is that to buy now means to save money—and the sooner you buy the more you will save.

And you *can* buy Pneumatic equipment now and take advantage of today's prices—even though you are not prepared to make a substantial investment at this time. Pneumatic offers you the convenience of a buying plan designed to meet today's conditions—a plan that eliminates the need of a burdensome initial investment and makes it possible for you to acquire needed Pneumatic equipment at once.

This plan is adaptable to the needs of any manufacturer, large or small. Invite us to explain it to you. Write today.

PNEUMATIC SCALE PACKAGING MACHINERY

PNEUMATIC SCALE CORPORATION, LTD., 67 NEWPORT AVE.
QUINCY, MASS. (NORFOLK DOWNS STATION)

Branch Offices in New York, 117 Liberty St.; Chicago, 360 North Michigan Ave.;
San Francisco, 320 Market St.; Melbourne, Victoria; Sydney, N. S. W. and
Trafalgar House, No. 9 Whitehall, London, England

When writing to PNEUMATIC SCALE CORPORATION please mention Nation's Business

Adventures of a Sales Detective

By CHESTER E. HARING Vice President, Batten, Barton, Durstine & Osborn

★ "I CALL it 'The Adventure of the Sick Daughter,'" said the Sales Detective. "It began with a letter from the sales manager of the Pyramid Company."

The Sales Detective took a letter out of a folder.

"Here is the first paragraph:

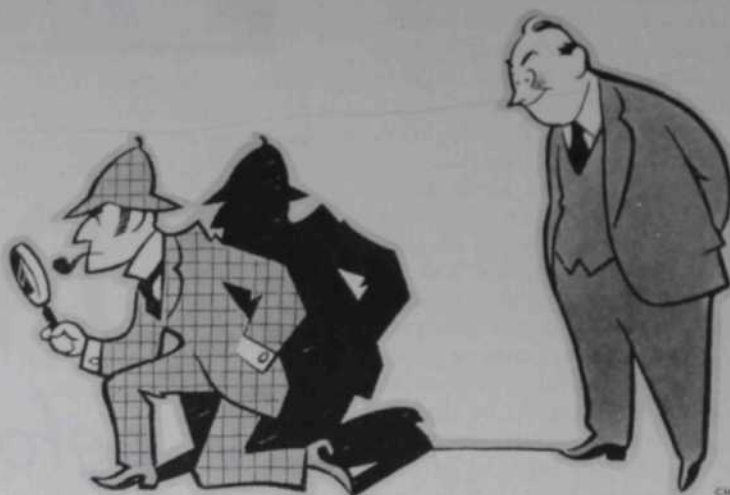
"We are not getting the volume we should out of our Rochester District. Westerly knows his territory since he has spent most of his life in Rochester. I wish you would run up to Rochester. . . ."

The Sales Detective laid down the letter and, picking up his pipe, began to stuff it with tobacco, as he continued:

"Pyramid was—and is—one of my best clients, but I did not relish the prospect of two nights on sleepers just to find out what was wrong with a salesman—if it could be avoided. So I telephoned the sales manager to send me Westerly's sales record for seven months, his route sheets, a description of his territory, expense accounts, and everything else pertaining to the case."

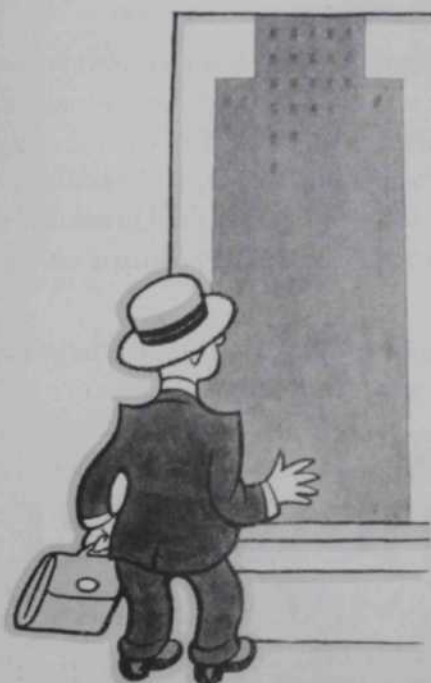
The Sales Detective lit his pipe carefully.

"I'm going to digress for a moment," he announced. "You know it has always



Business seems to think it has no chance for detective work

A NEW sort of sleuth opens his case book to prove that business men who like detective fiction could find fun and profit in trying Sherlock Holmes' methods on their own problems



The building had been there right along but he never saw it before

seemed strange to me that so many business men who are avid readers of detective fiction seem to think that police departments have the only opportunity for detective work. I have never understood why so few of them know that they could have more fun—not to mention profit—by applying their detective instincts to the problems of their own business."

Clues lead to business

HE PUFFED slowly on his pipe and continued:

"The police detective knows that most criminals leave definite clues, and his first task is to discover those clues. His second task is to read them correctly and make logical deductions.

"That's all I do in my business. Everything which the salesman and his sales manager do leaves results, good or bad, and these clues can be read.

"Well, let's get back to our story. A day later I received the data on West-

erly. It was evident that the Rochester territory should give Pyramid more business than he was producing. First, I examined Westerly's district geographically. It might be too large for one man or too small to support a man. But it wasn't. The district included seven counties—its natural trading area.

"Then I thought it would be a good idea to see how bad Westerly's performance really was. I found that Rochester's trading area should produce about two percent of Pyramid's total sales. Westerly was getting about half that. His record was bad all right!

"It is a peculiar thing, but nearly always when something is wrong with selling you will find something wrong with selling expense. Or if the expense account is out of line, you can look for something out of line on the sales. Therefore I studied Westerly's expense account. Everything seemed to be as it should have been, up to the last three months. Then there was a decided jump in expenses—especially in the ratio of

COST FIGURES

THE NEW DEAL demands the closest attention to the entire subject of costs.

Shorter hours, readjusted payrolls, new tax schedules, advancing prices—all have a direct influence on costs. Timely, accurate, detailed cost information is now indispensable to sound business management.

Cost figures—for both manufacturing and sales—must be timely and always up to date. Comparisons of actual and standard costs must be available at any time. For cost figures show business trends . . . weld together the past, the present, and the future.

Together with other outstanding businesses of the country, the large chain store systems have recognized the importance of this entire subject. These organizations, vast and complex, handle numerous commodities. To make sure of *quicker figures, cheaper figures, more accurate figures*, leading chain stores daily depend upon the Comptometer methods.

Costs are figured on each purchase invoice, on which is marked the price at which the commodity will sell. The anticipated profit for every item carried is shown. From these figures total cost and profit figures can be summarized.

Today, as never before, the need for economical cost accounting equipment is imperative. The Comptometer—Unit Ticket—Peg-Board Combina-

More
important
than ever
today!

tion meets this need. Many of the leading organizations in industry and business are saving thousands of dollars by its use. It is simple, flexible and adaptable.

If you are interested in how to assemble cost figures and other pertinent figure facts more economically, call up the local Comptometer district manager. He will give you further information about the new Comptometer combination and its method of application. Or you may write us direct, if you prefer. Felt & Tarrant Manufacturing Company, 1712 North Paulina Street, Chicago, Illinois.

COMPTOMETER

QUICKER FIGURES • CHEAPER FIGURES
MORE ACCURATE FIGURES

When writing to FELT & TARRANT MFG. CO. please mention Nation's Business



The ten Egry Speed-Feeds in the offices of The Munsingwear Corporation.

25%
to
35% Saved
for Munsingwear
Corporation

WHEN the Munsingwear Corporation, Minneapolis, put an Egry Speed-Feed on each of its Burroughs Moon-Hopkins Billing Machines, output per operator stepped up 25 to 35%.

The Speed-Feed is also made for any typewriter — Burroughs, Remington, Royal, L. C. Smith, Underwood, or Woodstock. Interleaves and removes carbons automatically. Uses continuous pack forms. Does away with costly, pre-inserted (one-time) carbons. Speeds up issuance of all forms. Issues forms in perfect alignment. All the operator's time is productive. Snaps on or off in an instant. Makes every typewriter a dual purpose machine — a typewriter one minute, a billing machine the next.

The saving in time more than pays for the Egry Speed-Feed in less than a single month. We can prove this. Use the coupon below for more complete information. No obligation.

THE EGRY REGISTER COMPANY
Sales Agencies in all Principal Cities
DAYTON, OHIO



Under present NRA Codes you must know your costs. Consequently the initial facts of business are more important today than they've ever been. Without red tape or costly procedure, an Egry Register System gives you these facts. Let us demonstrate.

EGRY
SPEED-FEED

THE EGRY REGISTER COMPANY NB
Dayton, Ohio.

I'm willing to learn how an Egry Speed-Feed will pay for itself in less than a month's time. Also tell me how I can use an Egry Register System.

Name.....

Address.....

City..... State.....

When writing please mention Nation's Business

expenses to sales. Sometimes expenses jump when large orders are on their way, but Westerly had no such orders. The supporting evidence for expense accounts is usually found on the route sheet. There I found the clue I was seeking.

Dividing his time wrong

"I KNEW that all Pyramid salesmen routed themselves and merely sent the sales manager each week a sheet giving their probable whereabouts for the following week. Westerly's route sheets showed he had spent approximately five days in the territory outside Monroe County until the last three months. After that he had spent nearly three-quarters of his time outside the city. That was all the clue I needed. I wired Pyramid's sales manager:

HAVE WESTERLY SPEND THREE WEEKS EACH MONTH IN MONROE COUNTY STOP HAS HIS DAUGHTER BEEN SICK

The Sales Detective paused, noting the blank look on the faces of his listeners, then he explained:

"The Metropolitan District of Rochester comprises nearly all of Monroe County, and Monroe County has 58 per cent of all the drug stores and 68 per cent of the total drug store sales of Westerly's entire territory. His line was confined to drug stores. As long as he spent only five or six days a month outside Monroe County, he was placing his time in proper relation to his opportunity and he had pretty good results. But the minute he reversed this and placed 75 per cent of his time on one-third of his opportunity, he was licked."

"But," said one of the listeners, "why did you ask about a sick daughter?"

The Sales Detective laughed. "Well, that was just a guess. With the data on Westerly was a copy of his employment card. I noticed that he was married and had one daughter in high school. As soon as I discovered how he had reversed his routing schedule, I began to wonder why. I realized that he was too good a salesman to do this without some real reason. He might be having trouble with his wife, and that would send him away from Rochester as much as possible. But if that were the case the sales manager would have known all about it. Something must be urging him to make more money. If his wife were sick he would not leave Rochester at all. But one way he could help pay doctor's bills for his daughter would be through traveling expenses when away from Rochester.

"It's really amazing," continued the

Sales Detective, "how much money is wasted on misdirected selling. I don't blame the salesman either. After all, he has a right to expect some direction."

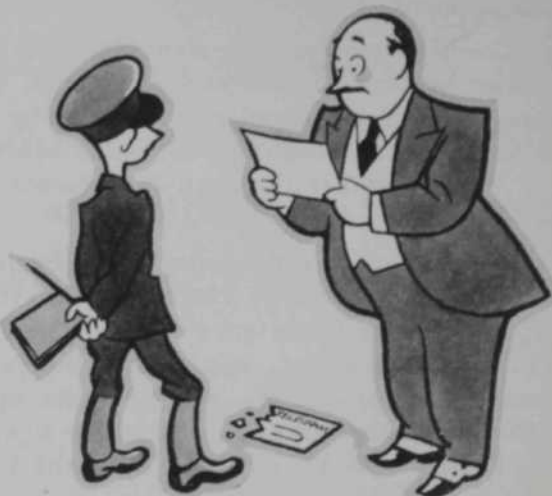
He puffed his pipe silently for a few minutes.

"Once in a while I encounter a salesman who sees the opportunity before his nose. I had forgotten this story which a sales manager told me years ago until the other evening when I ran into it in 'Marketing Geography.' It was about an office appliance salesman who replaced a non-producer in Minneapolis. The first morning after he arrived in Minneapolis he paced his office wondering where to start in his vast new territory. He stopped in front of his window to light a cigarette. Suddenly he saw for the first time a large office building across the street. He put on his hat and went over, thinking he might as well start there as anywhere. He not only started there, but he found enough prospects and business to keep him busy for nearly a year.

"The building had been there all along, but the man he replaced had never actually seen it."

The Sales Detective grinned.

"The same company has one of its district offices in a 16-story office building. The salesmen worked out of this



I wired the sales manager, "Has Westerly's daughter been sick?"

office and each had a definite territory within the city. One day one of the younger men discovered that no one was assigned to the building where they had their office. It was in the territory of one of the senior salesmen, but he raised no objection when the cub asked that it be assigned to him. The young salesman told me long afterward he had intended working it only on rainy days. As it turned out, he had a gold mine. It was so close to headquarters that no one, not even the district manager, had ever thought of working it.

"This chart," directed the Sales Detective, opening a large loose-leaf bind-



"A profit, by gosh!"

After all, to produce a profit is the primary function of business . . . to plan, budget and direct so that expense is less than income. It's all a matter of management.

Executives, both administrative and divisional, should receive more than the regular run of reports emanating from the accounting department. They should receive *Management* reports—reports formed of a combination of accounting and statistical control figures which tell

instantly the causes and effects of past operations as a gage for future administrative and executive policies.

The fundamentals of good management are simple enough . . . sound judgment and courageous direction based upon a complete knowledge of all business facts. Such knowledge can only be had from the interpretation of adequate figures properly presented. Then profit is planned for and not a matter of luck.

Modern Management is getting

such reports through the use of Powers Punched Card Accounting and is at the same time saving money from reduced accounting costs.

We will gladly send to any major or departmental executive a complimentary copy of our new book, "MANAGEMENT REPORTS . . . IN THE MODERN MANNER."

Listen to "March of Time" every Friday 8:30 p.m. Eastern Standard Time Columbia Network



POWERS SERVES: BANKING: trust accounting, investment control, stock transfer, general accounting. CHAIN STORE: inventory control, automatic billing & analysis. UTILITIES: billing inventory, general accounting. FEDERAL, STATE, MUNICIPAL: accounting, statistical data. INDUSTRIAL & COMMERCIAL: distribution costs, sales analyses & control, general accounting. RAILROADS: car, freight, station accounting & statistics. INSURANCE: life, fire, casualty, fraternal.

POWERS
(PUNCHED CARD)
ACCOUNTING MACHINES
Division of REMINGTON RAND, Inc.
Buffalo, New York, U. S. A.

When writing to REMINGTON RAND, INC., please mention Nation's Business

Pierce Arrow

IN

AUGUST, 1933

In the 32-year history of Pierce Arrow, August, 1933 stands out as the time when:

Pierce Arrow again became a strong independent company (August 26, 1933)

A Pierce Arrow Special Twelve won 14 world records (August 7, 1933)

Pierce Arrow's share of all cars sold in fine-car field reached a ratio twice as great as in 1928



PIERCE ARROW'S FUTURE POLICY shall be as it has been for thirty-two years:

To be dissatisfied with present effort, no matter how successful it may seem . . .
To strive to make every car finer than the finest car that has yet been made . . .
To live up to the public's appreciation of Pierce Arrow as:

"America's Finest Motor Car"

er, "will give you some idea of what proper routing and proper allocating of man power can do."

On the upper portion of the chart were six groups of three bars each.

"Each of these sets of bars represents a sales division or a group of salesmen under a supervisor. The first bar shows the percentage of total opportunity within each division. The second bar in each group shows the percentage of total sales obtained by that division, and the third bar the percentage of total salesmen located in that division."

He touched the first group with his pencil.

"See that! 31 per cent of the total opportunity to sell the goods of this company, and the division produced only 25 per cent of the total sales. Why? Well, look at the third bar. This supervisor had only 21 per cent of the salesmen. The territory was undermanned. And also it was far too large for proper supervision by one man. Now look at No. 5 Division. Seven per cent of the total opportunity, but this supervisor had 13 per cent of the salesmen. As a result he obtained 11 per cent of the company's total sales.

"In my shop," continued the Sales Detective, "we call this 'The Perfect Experiment.' And it is just about that. Much of my work is merely a part of a complete advertising and selling campaign, and, therefore, it is usually difficult to determine exactly the results of any single thing. In this case though the only thing changed was the division of territory and the allocation of salesmen. We made nine divisions instead of six, and divided the salesmen about as equally as we could. You can see this new layout in the middle portion of this chart," and the Sales Detective placed his pencil on the center of the chart before him.

Getting more sales

THEN he moved his finger down to the lowest portion of the chart.

"These bars show the result. Remember there was no change except a re-allocation of territory and man power. The first bar in each group is the results obtained in March, 1929. The second bar is the results in March, 1930, after the changed territorial set-up had been operating for some time. These two months were our tests. The total calls on dealers increased 18 per cent, the number of dealer orders increased 33 per cent, and total volume of sales 45 per cent. And remember 1930 was a much tougher year for this company than was 1929."

The Sales Detective turned another page of charts. "These charts show how the total production of one kind of food has increased year after year. They are based on government figures. Since the product is semi-perishable, the charts

really show consumption. You would think that every manufacturer of this line would have charts like these. Evidently they don't.

"One of the largest of them built a profitable business in this first group which I call Flavor A. Note that it represents about 65 per cent of the total each year. Also note that Flavor A each year is almost exactly ten times the size of Flavor B. This manufacturer thought he could add Flavors B, C, and D to his line and equal with each the volume he had built on Flavor A. If he had studied this chart he would have realized that this was impossible."

"What happened?" asked one of the listeners.

"Just what I predicted," replied the Sales Detective. "He had made a deal with his retailers which stocked them with equal quantities of the four flavors. Flavor A sold as well as ever, but this chart indicates that only one housewife in ten would buy Flavor B, and yet each retailer has as much Flavor B to sell as Flavor A. Perhaps he could have worked his way out had the product not been semi-perishable. As it was, spoilage resulted, retailers became disgruntled with the entire line, the manufacturer was swamped by returned goods, and finally there was much less than normal sale for his Flavor A. All his difficulty might easily have been avoided if he had done a sound job of detective work in advance."

Closing his book of charts, the Sales Detective concluded, "Yes, many manufacturers could have a lot of fun if they tried a little detective work on their own mysteries."

Efficient Cities

A SHREWD investor, who has nearly a million dollars of his own funds tucked away in municipal bonds, tells me that he prefers to have his bonds against cities of from 40,000 to 50,000 population. He thinks the chances for a good government, capable of meeting the city's obligations, are best in a place of that size, and that bonds issued there are safer than those against a place too large or too small. The idea is that a mere village sometimes has too amateurish a management, because of small salaries; on the other hand, a city of great size often falls into the hands of a political ring and the taxpayers seem powerless to have honest desires properly carried out. In a city of 50,000 or less, the people are likely to be in close touch with what is going on, and yet the place is large enough to afford to pay competent officials what they are worth.—F. C. K.



Lower your SELLING COSTS with a better package

A package improvement is one of the most effective ways of lowering selling costs.

A modern, outstanding package finds quicker acceptance with the trade. Retailers give it better display. The public buys more readily. At every point along the "selling front" the superior package has less resistance to overcome. All this results in definitely lower sales expense.

Moreover, the saving made in selling cost is often accompanied by a definite *saving in production cost*—due to the greater efficiency of modern machines.

Many ways of improving a Package

The extreme versatility of our large line of machines admits of a great variety of package improvements. You may produce a package that keeps your product in better condition than competitors' products . . . the package may show the goods off to better advantage . . . it may afford greater convenience to the user . . . you may offer the product in various sized packages (a single adjustable machine handling all the sizes).

We will be glad to give you information and assistance in developing a package improvement. Get in touch with our nearest office.

PACKAGE MACHINERY COMPANY Springfield, Massachusetts
NEW YORK CHICAGO LOS ANGELES
Peterborough, England: Baker Perkins, Ltd.



PACKAGE MACHINERY COMPANY
Over 200 Million Packages per day are wrapped on our Machines

Plans That Shortened Bread Lines

By RUSSELL GREENMAN, of the U. S. Chamber of Commerce

STARTING at scratch in 1929, employers devised plans that kept 5,500,000 people at work. Some of the methods and the lessons they taught are described here

★ IF insignias of merit were given to all the enterprises which, during the years of adversity, have maintained employment and wage standards well above the minima set by the National Industrial Recovery Act, the roll of super-Blue Eagle employers would include not only many of the best known corporations but thousands of obscure factories and shops. In virtually every industry which has formulated a code of fair competition can be found enterprises with records of practical accomplishment in mitigating the effects of the depression by sustaining employment through reduced working hours, maintenance of wage scales and other plans.

Individual experiments in regularizing employment were not expected completely to eliminate unemployment, but experience shows the tangible benefits of such measures.

Industrialists who have pioneered in developing these plans are by no means discouraged by the inability of their own enterprises to reverse the general economic trend. Says the president of a company which for 20 years has been outstanding for its advanced labor policies and its record of stable employment:

No ideas that we had a decade ago can properly be said to have worked successfully through '30, '31, and '32. In the first place all the plans which we, or I think any one else, could make for mitigating the severity of a depression were plans which must be made and carried through in periods of business activity. *The real job is not to mitigate the depression but to mitigate the boom.*

In the second place, the steps which we take to mitigate the ordinary depression will not suffice to meet the sterner necessities of a calamity.

Even before 1929 scores of companies had developed programs for offsetting

the effects of temporary business recessions. The lack of more extensive utilization of such programs cannot be attributed wholly to indifference. As long ago as 1925, Gerard Swope, president, General Electric Company, proposed a cooperative unemployment-benefit plan.

"But," Mr. Swope told the Senate Unemployment Insurance Committee, "our workmen, like most human beings, thought in 1925 a depression would never come. They saw no necessity for setting aside anything for the rainy day. So we did nothing further. Early in 1930 we again brought forth that plan. Then our people accepted it."

Reduction of hours of operation to divide a restricted volume of work among as many employees as possible was fairly common for years before the depression. Between 1900 and 1929 average weekly hours of work in all manufacturing establishments were reduced from 12 to 15 per cent.

The shorter work week

SINCE 1929, at least five methods for dividing work have been used extensively in this country. The most common is the five-day week. Before 1929, nearly 300 manufacturing establishments were regularly using a five-day schedule. By the fall of 1931, nearly 700 had permanently adopted the five-day week for all employees and several hundred others were using some employees on this basis. By the summer of 1932, 1,100 establishments had permanently adopted the five-day week and 1,100 others were using it for some employees.

In the spring of 1932, a partial survey of operating practices disclosed that nearly 5,000 businesses in practically every field were spreading work by some method and that 56 per cent of their employees were on a part-time basis.

By December, 1932, while the Share-the-Work Movement was still under way, another partial survey disclosed that 57,000 establishments were spreading employment by some means. From these returns, the Coordination Committee of the Share-the-Work Movement estimated that at least 5,500,000 jobs had been created or saved through work-sharing during the depression.

Even before the Share-the-Work Movement was launched, employers, particularly in manufacturing, had accepted the principle of dividing work. In the iron and steel industry, which, for nearly two years before July, 1933, had operated at about 25 per cent of capacity, the hours of work per employee were reduced to as low as 25 a week solely to provide some work to nearly all regular employees.

During 1929 and 1930, when the industry was operating at an average of 75 per cent of capacity, 32 of the largest companies employed some 342,000 persons. These employees averaged 49.5 hours a week. On July 1, 1933, 339,000 persons were available for service in these companies and 85 per cent of them were working an average of 42 hours a week although operations did not exceed 50 per cent of capacity.

The employment records of individual companies in this industry show the determination to safeguard the interests of the regular working force throughout a period when few, if any, companies, were making a profit. During 1929, the United States Steel Corporation employed an average of 225,000 persons. During the first six months of 1930, the average number employed either full or part-time was 221,000. In December, 1930, when the corporation was operating about 38 per cent of capacity, 227,000 employees had either full or part-time work. In 1931, when the average rate of operation was 38 per cent, some 84 per cent of the entire normal working force was given some work. Average earnings per employee, per day, in 1931, were only 1.5 per cent less than the average for 1930. The average rate of operation came down to 18.3 per cent of capacity in 1932. Nevertheless, work was provided for 68 per cent of the full normal working force. The plan of alternating employees gave a share of the available work to approximately

"HERE AT LAST IS A SYSTEM
FOR OUR BILLING AND SHIPPING
THAT REQUIRES NO REWRITING"



Ditto

*the perfect One-Writing
Billing System*

BILLING CLERK

"Billing is easy for me now. No longer is it necessary to pound keys on carbon manifolding machines. My work is 50 per cent easier and I've speeded up production at least 25 per cent. Typing mistakes are no longer serious because I erase only one original—not eight or ten carbon copies. I've used both methods and I know. Give me Ditto every time."

SHIPPING CLERK

"I never dreamed that any system could help me so much. Since we started using Ditto on our Billing and Shipping System I've had almost no writing to do. Shipping tickets, labels, tags and bills of lading come to me ready for use. Mistakes have been completely eliminated. Shipping has been speeded up almost a whole day, and we get by with two less clerks. I'm strong for Ditto. You would be too if you had my experience with it."



FACTORY SUPERINTENDENT

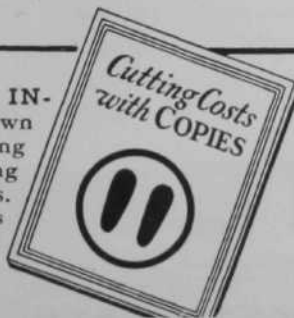
"Most billing and shipping systems stop long before they reach the factory needs. In fact, they ignore them completely. Not so with Ditto! Our Ditto system provides us with all the factory copies we need—on good substantial paper or card stock. It eliminates 75 per cent of the rewriting we formerly did, and provides a control of manufacturing operations that we never had before. Ditto is truly the One-Writing Method."

AUDITOR

"Practically all of the work of the Accounting Department hinges around the prompt, accurate filling and billing of orders. If orders are delayed the entire accounting procedure is delayed. No wonder I favor Ditto. Since we've had this marvelously flexible system, delays have been unheard of. Billing is speeded up almost three days, accounting department copies reach us the same day orders are received, customer's and salesmen's copies are mailed immediately, and mistakes just do not occur. If, for no other reason than these, Ditto is the finest investment we've made in years."



BIG DIVIDENDS FROM A SMALL INVESTMENT. You ought to know for your own profit, how Ditto operates to speed up Billing and Shipping, how it eliminates rewriting on even the most complex order systems. Our booklet "Cutting Costs with Copies" explains how Ditto is revolutionizing office procedures. You'll find this book profitable reading—well worth any executive's time and careful attention. We'll gladly send you a copy. Just pin the coupon to your letterhead and mail it to us.



N. B. 1033

Ditto

DITTO INCORPORATED

2243 W. Harrison St., Chicago, Ill.

Please send me, without cost or obligation, your book "Cutting Costs with Copies," which explains how Ditto speeds up Billing and Shipping and other office and factory procedures by eliminating re-writing.

Name.....

Address.....

City.....State.....

When writing to DITTO INCORPORATED please mention Nation's Business



Lucian Bernhard says

....."Of two equally strange men, the better dressed invites more confidence. Should not the same apply to better designed merchandise?"

NOT ONLY in furniture, but in all lines of industry, the artist-designer is rendering a service of great value in creating a public appreciation of beauty in products in every day use—even those of the most utilitarian character. This greater beauty is proving to be a real business asset, as products that have been designed with an eye to beauty as well as utility sell more easily, and in larger volume.

It was Mr. Bernhard's appreciation of the inherent beauty of Bakelite Materials that led him to incorporate them in his splendid designs for the furniture in the private office of Mr. Sidney Matz, shown in the photograph. The massive desk and table tops and the clock face are of lustrous black Bakelite Laminated, and contrast most effectively with the rich grain of the rare woods used in furniture and paneling.

Bakelite Materials have an innate beauty and this applies to both Laminated and Molded forms. Redesigning with Bakelite Materials has been found an almost certain way to increase sales, and often effect production economies, too. Consult us freely about the possibilities of Bakelite Materials in your own work. Also write us for copies of Booklets 1 M, "Bakelite Molded" and 1 L, "Bakelite Laminated."

Don't miss the Bakelite Exhibit when you visit the Century of Progress.

★ Lucian Bernhard, 120 East 86 St., New York, decorator, type designer and product designer, is one of the most versatile of artists, and his work is well known here and abroad. He has designed furniture, interiors, automobiles, trade-marks, boxes and packages. He is a leader in the movement to further "Art in Industry".

BAKELITE CORPORATION, 247 Park Ave., New York; 43 East Ohio St., Chicago
BAKELITE CORPORATION OF CANADA, LTD., 163 Dufferin Street, Toronto, Ontario

BAKELITE

The registered trade marks shown above distinguish materials manufactured by Bakelite Corporation. Under the capital "B" is the numerical sign for safety or unaltered quantity. It symbolizes the infinite number of present and future uses of Bakelite Corporation's products.

THE MATERIAL OF A THOUSAND USES

When writing to BAKELITE CORPORATION please mention Nation's Business

75,000 more people than would have been required.

During 1932, the corporation's annual report shows expenditures of \$577,000 in direct relief to employees and their families. In addition, credits totalling \$2,690,000 were extended for food, fuel, rent, medicinal and other necessities. Employees' associations spent an additional \$218,000 for relief. For many years the subsidiary companies had permitted use of unoccupied lands adjacent to plants for community gardens. In 1932 employees planted 80,475 separate garden plots. The estimated value of the produce from these gardens was \$1,213,000.

Furnishing relief work

THE Bethlehem Steel Corporation, which for years had utilized plans for providing steady work to its employees, intensified these activities early in the depression. Indicative of the obligation assumed by its management for the protection of regular workers was the announcement made in December, 1931:

1. The Bethlehem Steel Corporation recognizes that the stagger-work plan, adopted early in the depression to spread available work as widely as possible, has now reached the limit of its usefulness. It has been found that a large number of men are now getting less than is necessary to sustain life.

2. The Corporation recognizes that it has an obligation toward its employees to keep them from becoming relief charges upon the city of Lackawanna. It therefore volunteers to give relief work to all employees on its Lackawanna pay roll who are receiving less than a living wage.

3. The Bethlehem Steel Corporation as the largest taxpayer in the city of Lackawanna volunteers to support any appropriations which must be made by the city to care for other than Bethlehem employees.

In the Youngstown Sheet and Tube Company a work-sharing program was combined with extensive unemployment-relief measures. The company's personnel organization determined the amount of money necessary to maintain the families of each of its employees from one pay-day to the next. The company then undertook to provide employees with necessities of life whether or not they could be given work. Whenever available work could be distributed to permit all employees to earn enough to meet their minimum needs, relief appropriations were unnecessary. In December, 1932, the company estimated that 130 per cent more workers were employed than were actually necessary on its prevailing schedule of production. Using methods for spreading work, the company was providing from 19 to 22 hours of work a week.

The American Rolling Mill Company, in 1932, was carrying approximately twice as many employees as

QUICK ACTION DEMANDS FACTS



AT THE throttle of a modern locomotive or a modern business, quick, decisive action demands FACTS. The signals must be speedily set and clearly visible. International Electric Accounting and Tabulating Machines provide the facts which are so essential to business progress. They offer detailed figures to the men in control—with absolute accuracy and maximum speed. You require, for example, your total car loadings for the past three months. An International Electric Sorting Machine begins to click a tabulator is set in motion adding figures printing totals. In a matter of minutes, the facts, in neatly printed form, are placed before you. Fast? Yes, certainly, but only a

brief instance of the *control* obtainable through the International Method of Punched Card Accounting. Railroads, Insurance Companies, Department Stores and thousands of other businesses are finding the speed and accuracy of International Business Machines of inestimable value. Today, time recording, tabulating and weighing devices bearing the International trademark are saving time, money and materials for government and business in seventy-nine countries throughout the world.



New illustrated booklet, *Modern Methods for Modern Business Needs*, gives detailed information about International Business Machines. Free copy mailed on request.

IN CHICAGO, at A Century of Progress, you are cordially invited to inspect the complete line of International Business Machines—in action

INTERNATIONAL ELECTRIC ACCOUNTING AND TABULATING MACHINES
INTERNATIONAL INDUSTRIAL SCALES

DAYTON MONEYWEIGHT SCALES

INTERNATIONAL TIME RECORDERS AND ELECTRIC TIME SYSTEMS
ELECTROMATIC TYPEWRITERS

INTERNATIONAL BUSINESS MACHINES CORPORATION

GENERAL OFFICES, 270 BROADWAY, NEW YORK, N. Y.



BRANCH OFFICES IN THE PRINCIPAL CITIES OF THE WORLD

When writing to your local IBM dealer please mention Nation's Business.



Mr. James H. Miller, Treasurer, Standard Envelope Mfg. Co., Cleveland, and the Standard Envelope plant.

"we saved \$1226 in one year with Iron Fireman"

● In 1925 the Standard Envelope Manufacturing Company of Cleveland installed an Iron Fireman Automatic Coal Burner in their heating plant. In the first year of operation they cut former hand-firing fuel costs from \$2059.00 to \$833.00—a saving of \$1226.00 or 59%.

"In addition to this saving," states Mr. Miller, "Iron Fireman has given us uniform temperature at all times—a very definite requirement in the handling of paper. We would not be without this equipment from a labor saving, heat controlling and money saving standpoint."

The facts which an Iron Fireman Free Firing Cost Survey will reveal may help increase your profits. No charge for this service. Just request it. Iron Fireman Mfg. Co., Portland, Cleveland, Toronto. Dealers everywhere.



An Iron Fireman industrial installation. Iron Fireman is made for commercial boilers up to 250 h. p. and for homes. Easy monthly payments.

See the Iron Fireman exhibit—Home Planning Hall—Century of Progress, Chicago.

IRON FIREMAN

AUTOMATIC COAL BURNER



IRON FIREMAN MANUFACTURING CO.
3170 W. 106th Street, Cleveland, Ohio.

☐ Send literature ☐ Please survey my heating plant

Name.....

Address.....NB-9

When writing please mention Nation's Business

were required by the reduced operating schedules. In some departments a six-hour day was used; in others, shifts were shortened from ten to eight hours and two men were rotated on the same shift. When some lay-offs became inevitable, a so-called dismissal wage was paid to long-service employees.

The American Cast Iron Pipe Company had been operating on a five-day week before the depression. In 1930 and 1931, it undertook to assure employees of a minimum of half-time work. Until November, 1931, the company was able to maintain its normal force of some 1,000 workers on half time or better. In that month, approximately 100 employees were put on non-productive work which could have been postponed.

The largest single accomplishment in work-sharing, in point of numbers retained in jobs, is that of the American Telephone and Telegraph Company. In October, 1932, its president, Walter S. Gifford, estimated that 46,800 employees, who otherwise would have been dismissed, had been retained under various work-sharing plans. By the end of 1931, more than half of the company's employees were working less than full-time, and employees of two subsidiaries, the Western Electric Company and the Bell Telephone Laboratories, were working five days or less a week. In 1931 employment was kept at a maximum by inclusion in the regular construction program of betterments and replacements which could be advanced. The continuance of the program of conversion of manual telephone operation to dial resulted in net additional employment throughout the year of more than 10,000 persons.

Working alternate shifts

WORK-SHARING was also carried on extensively by all of the major rubber companies. In July, 1930, the Goodyear Tire and Rubber Company began to rotate employees on alternate shifts, giving them an average of 24 hours each week. In October, 1930, the six-hour day was adopted. Since then, according to P. W. Litchfield, president, the Akron factories alone have given employment to 3,000 workers who otherwise would have been without incomes. In the fall of 1932, the general-office employees were placed on a five-day week to avoid lay-offs and in the accounting department several hundred additional workers were employed. In December, 1931, all the company's 14,000 employees in the United States were sharing work on the basis of 18 hours a week as compared with an average of 45 hours a week in 1929. At that time, company officials announced that whenever it became possible to utilize its regular employees on a maximum of five six-hour shifts or 30 hours a week new employees would be hired.

In January, 1931, the General Tire and Rubber Company created a unique type of unemployment fund which the company president, William O'Neil, described as follows:

The fund will be used primarily to finance out-of-season sales in order to make employment more uniform all year round. It will also provide money which may be lent to employees who may be temporarily laid off. As our plant is now operating fully, there will be no need for such loans to our workers at this time.

When the directors decided to pay an extra dividend this year they also decided that they would cut the amount available for this dividend in two so that the workers might get as square a deal as the stockholders.

The United States Rubber Company established a formal dismissal compensation plan in 1928 when it became necessary to close an obsolete plant at New Haven. Subsequently, three other plants were closed and dismissal benefits were paid. Before benefits were paid every effort was made to find jobs for the displaced men.

Stabilizing employment

FOR more than 20 years, the Kendall Company, manufacturers of cotton goods and surgical dressings, have maintained a plan for stabilizing production and employment.

In brief, this plan provides for operating single-purpose cotton mills, the production of which is restricted to a maximum of 85 per cent of the gray cloth used in finished products. The margin of 15 per cent resulting from fluctuations in demand has been purchased in the open market. In October, 1931, the company's president, Henry P. Kendall, told a Senate Committee:

Except in one of the subsidiaries, which we have had less than three years, we practically have laid off no one. When business was slack, we have simply shortened hours and stabilized the force. In fact, in one plant which employs about 800 people my employment manager told me that there had been only one change in a year, and that was the addition of one man.

Believing that its employees would prefer loans to charity, the International Harvester Company instituted a relief plan which Cyrus McCormick, vice president, describes as follows:

Before the depression became so severe, the Company did what it could to curtail production with as little harm to the men as possible. We ceased to hire new men, we let the unstable ones drift away, and distributed the work among the men who could do it best and needed it most. Then we shortened the working week.

In planning our own campaign to tide over the unemployment situation, the Company has recognized the necessity of finding a temporary substitute for work and wages.

We sent representatives to call upon our

men who have lost their jobs. The message these representatives bring is this: Whenever a regular Harvester man is in need because he is out of work or because his earnings have been severely reduced, we lend him money to carry him through. The amount of the loan varies with the need, but it is at least sufficient to provide necessities.

These loans are paid by weekly check, exactly like wages. They are without interest. We urge every borrower to find a job if he can, so that he will have less money to repay when he comes back to work. When he gets his job back with us, or finds employment elsewhere he repays the money.

Stabilizing production and employment through sales forecasting and production for stock enabled the Eastman Kodak Company to attain a record, from 1922 through 1929, of maintaining the number of employees laid off because of lack of work at an average of only two per cent of the entire force. Additional steps to counteract the effects of the depression are described by Mr. William G. Stuber, president, as follows:

In the summer of 1930, when it became necessary to curtail production, a number of departments were put on a five-day week. During 1930 only 2½ per cent of the workers in production were laid off.

In the fall of 1929 an extensive construction program was inaugurated. When the depression came the management decided nevertheless not to interrupt this construction program. As a result, employment was given to 600 workers.

In our other Rochester plants it has been necessary to curtail production to a greater extent. Every effort has been made to put workers in these plants on part time instead of laying them off. The departments affected were placed on a five-day week and in some cases less. We have done as much repair and maintenance work as possible. We have continued our advertising and have used special sales efforts.

Relief for those laid off

BY rotating or giving part-time furloughs to the regular working force, the Westinghouse Electric and Manufacturing Company, in 1931, provided work for 5,600 people who otherwise would have been discharged. The employees voluntarily suggested that they contribute one per cent of their pay, for six months, to establish a fund for the relief of workers who had lost their jobs. The employees' contributions were matched by the company. In 1932, various work-sharing plans made possible employment for 8,000 persons who otherwise would have been idle. The contributory plan for providing relief to former employees was continued at an increase in the scale of voluntary deductions of employees' wages to 1.5 per cent or two per cent of their monthly earnings with the total amount being matched from company funds.

In December, 1930, the Kellogg Com-



The Land of RHODES and OOM PAUL KRUGER—

23 DAYS FROM NEW YORK
INCLUDING A DAY AT THE ISLAND OF ST. HELENA

THE WORD Africa always thrills the listener. It speaks of mystery and adventure. For years it was "the Dark Continent," a challenge to big game hunters and explorers. Africa still offers that challenge.

But, just as Hill and Huntington opened the prairies of our own North America, so other men pushed back the frontiers of Africa, building cities, opening channels of trade. Today fast steamships, modern railroads and motor cars offer the traveler an opportunity to explore this vast continent in the same comfort and luxury he knows at home. Today the famous port towns of Durban, Beira, Cape-town, the diamond mines of Kimberley, the Gold mines of the Rand, Kruger National Park, teem-

ing with big game, are less than a month from New York. No longer are the thrills of Victoria Falls, of Indian market, of monkey park, of Durban's 'rickshas and Zulus reserved for a few adventurous spirits.

Today a novel, restful and exhilarating vacation in a wonderful climate awaits any man who can spare a little time from his business. And for the man who knows he needs a change but fears he cannot afford to loaf, South Africa offers tempting business opportunities. United States firms do millions of dollars worth of business with South Africa every year. For complete information about South African tours and lowest freight rates address:

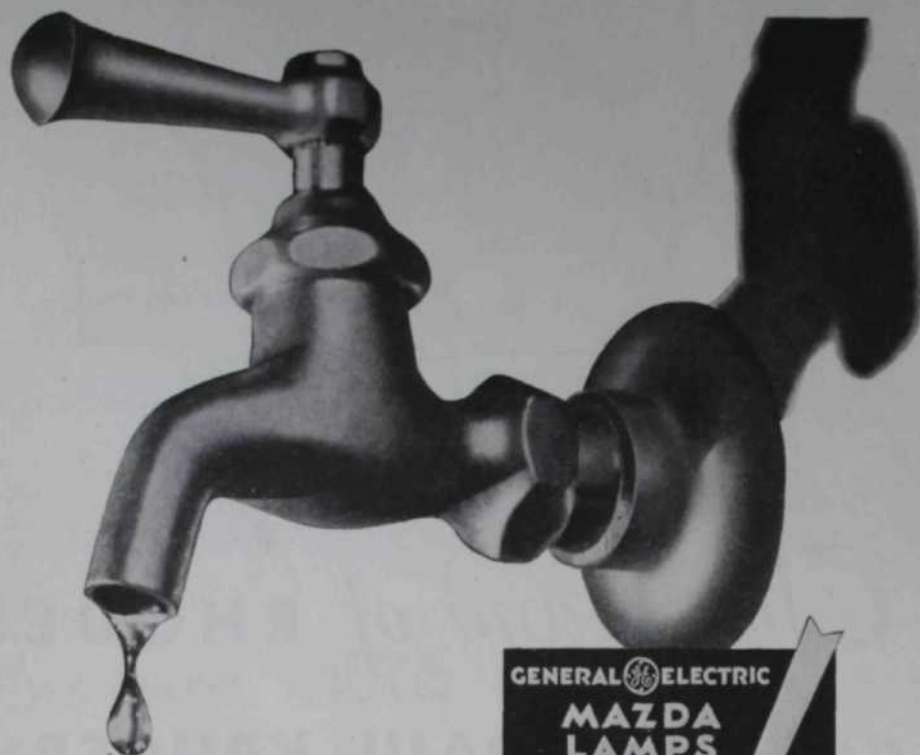
American South
26 BEAVER STREET



African Line, INC.
NEW YORK • N Y

Under the American flag, carrying U. S. Mails, Freight and Passengers.

Don't light your home with LEAKY FAUCETS




Drip! Drip! Drip!

If you could see the electricity wasted by an inferior lamp as easily as you see water wasted by a leaky faucet, you would replace the lamp at once.

But you can't and so you, like thousands of others, may be paying for light you do not get . . . because the lamps in your sockets may be obsolete lamps, worn-out lamps, or lamps of inferior, unknown make.

You are paying for good light. The same amount of electricity goes through your meter whether you use good lamps or poor lamps. But . . . unless you use good lamps you will not get all the light you pay for.

General Electric MAZDA lamps make electricity an even more economical servant. They give the maximum amount of light for the current they consume. That is why the  monogram on a lamp is worthy of your confidence. Look for it on every lamp you buy. General Electric Company, Nela Park, Cleveland, Ohio.



TO BE SURE OF GETTING YOUR
MONEY'S WORTH OF LIGHT
BUY LAMPS WHERE
YOU SEE THIS BANNER

For good light at low cost

GENERAL ELECTRIC MAZDA LAMPS

When writing to GENERAL ELECTRIC COMPANY please mention Nation's Business

pany replaced its three eight-hour daily shifts with four six-hour shifts to increase employment. Hourly wage rates were advanced 12½ per cent to offset the reduction in working time. In 1932, hourly wage rates for women were increased 25 per cent. Approximately 40 acres of a company recreation park were set aside for employee garden plots. The change to the six-hour-day basis made possible absorption of 250 to 400 workers.

For ten years the Procter and Gamble Company has guaranteed at least 48 weeks of work a year to its factory wage earners. This guarantee has been continued throughout the depression, except that in October, 1932, the company instituted a five-day week.

Providing temporary work

IN the fall of 1931, the Paraffine Companies, Inc., San Francisco, in consultation with the employees, formulated a plan for paying wages for non-profit work in the factory and office. Employees donated two per cent from their salaries and the company contributed a sum equal to 50 per cent of the total contributions. The fund was used to provide temporary work for employees laid off. They were assigned to maintenance activities.

In addition to the so-called unemployment pension plan instituted by the General Electric Company in 1930, the company developed a guaranteed-employment plan for employees of its incandescent-lamp department. During 1931, all employees in this department who were paid on an hourly or piece-work basis and who had two years or more service, were eligible to a guarantee of 50 weeks' work of not less than 30 hours a week, provided that they would permit the company to withhold one per cent of their earnings and credit the amount deducted to their accounts, at five per cent annual interest. The employee's savings and interest are payable when he leaves the company.

Between August, 1929, and December, 1930, the Gleason Works, gear manufacturers, of Rochester, was obliged to lay off or dismiss 468 employees. In December, 1930, the management introduced an unemployment-benefit plan under which each laid-off employee who had been unable to obtain other work was assured of a week's pay a month. In January, 1931, temporary repair and maintenance work was found for 83 employees. Payments of a week's pay a month were continued until July, 1931, to 177 former employees.

In November, 1931, a second emergency unemployment-benefit plan was introduced. This plan provided for payment to workers whose normal wage rates were \$1 an hour or less, of 30 per cent of their normal earnings for time

WE RAISE OUR GAUNT MONUMENTS TO FIRE!



This very day, no matter what the date, approximately 1,400 buildings will suffer fire loss in the United States. Churches. Hotels. Schools. Department stores. Theaters. Public garages. Factories. Farm buildings. And *homes*—with children in them. Last year there was burned on the altars of carelessness more than the total of all residential construction in that year. In 1931, there was dedicated to FIRE, property with a total estimated value of \$451,634,866.

Each year more than 10,000 lives are sacrificed—one-third of them children. Carefulness might save them.

In ten years fire has destroyed nearly five billion dollars in wealth—enough to employ three million

men for one full year at \$1,500 a man. Yet we go on burning up jobs, for when FIRE lays low a factory, *men can't work.*

Each year we raise our gaunt monuments to FIRE. And think of this. Six out of ten fires can and should be prevented. Will you help?

Will you help by putting out matches, by stamping out cigarettes, by keeping your place of living and your place of working as fire-safe as you can possibly make them?

The interesting booklet, "SAFEGUARDING THE HOME AGAINST FIRE," contains many practical, saving, fire-safety suggestions. A copy will be sent you, without cost. Send for it. Read it. Help America stop raising those gaunt monuments—to FIRE!

THE NATIONAL BOARD OF FIRE UNDERWRITERS • NEW YORK—85 John St. • CHICAGO—222 W. Adams St. • SAN FRANCISCO—Merchants Exchange Bldg.
A National Organization of Stock Fire Insurance Companies Established in 1866

FIRE PREVENTION WEEK

OCTOBER 8 to 14, 1933





Unusual flexibility permits moulding easily around corners and into angles

Now it's *better roofing* because of **SOLKA**

AMONG the never-ending variety of products to which SOLKA, as a base, brings quality is Roofing. Asphalt shingles and roll roofings containing it carry a higher percentage of asphalt, have extra strength, more flexibility, firmer nail grip and long life. They are made and marketed by leading roofing manufacturers.

SOLKA has amazing adaptability. It's in countless things you use or wear, assuring betterment always—from cleansing tissues to radio cabinets, from Nibroc printing papers to rugs, from Onco shoemaking materials to Nibroc *Wet-Strength* towels.

What is SOLKA? ... Cellulose is the actual framework of vegetable life, around which nature builds impurities valueless to man. These are removed by our patented process, so that only the usable *purified* cellulose remains. This is named SOLKA and the term "Made from SOLKA" is fast becoming as significant as "sterling".



BROWN
Company
FOUNDED 1857
Portland, Maine



MAKERS OF
SOLKA
The Purified Cellulose



—also the new
Solka Yarn

It has unusual strength, no shrinkage, little stretch, high absorbency, fine smoothness and uniformity.

Textile manufacturers: write
Send for Booklet

BROWN COMPANY
Dept. N, Portland, Maine

Send me your Free SOLKA
booklet

Name

Firm

Address

lost when working two-thirds of full time or less. Workers laid off without pay were entitled to receive 30 per cent of weekly earnings for eight to 20 weeks, depending upon length of service.

In October, 1932, the Pittsburgh Steel Company was maintaining on the pay roll 2.1 persons for every job.

The McCall Company, magazine publishers of Dayton, Ohio, changed their mechanical departments to four six-hour shifts and retained the entire force.

Having reduced working schedules in 1930, the Standard Oil Company of California reported in August, 1932, that 3,500 employees had been retained.

Approximately 2,000 employees were added to the pay roll of the Owens-Illinois Glass Company upon adoption of four six-hour shifts in 1932.

The Strawbridge-Clothier Department Store of Philadelphia in August, 1932, was giving work to 600 more employees than would have been required if all employees were working full time.

A flexible work day

THE Endicott-Johnson Corporation, shoe manufacturers of Endicott, New York, have had a flexible work-day for many years which, as explained by President George F. Johnson, "has permitted our working people to come to work as early as they pleased, work as much of the noon hour as they pleased and go home as early as they pleased. We have found it to our advantage and a great encouragement to thrifty workers."

The W. L. Douglas Shoe Company, Brockton, Mass., in July, 1932, was providing work for its entire force of employees by utilizing them six half-days a week.

Specific records of accomplishment made by larger corporations have been duplicated and frequently exceeded by small companies which, for one reason or another, preferred not to reveal employment or pay-roll data. The striking change in the attitude of industrialists toward work sharing is indicated by comparison of the 1932 employment records with those in 1921.

Dr. Willford I. King of the National Bureau of Economic Research, in analyzing the employment situation in that year, pointed out that "part-time work as a palliative for unemployment was used by relatively few employers, and at the lowest point of the depression employees on the pay rolls still averaged 95.3 per cent of full-time."

In contrast may be cited a survey conducted by the National Industrial Conference Board between March 15 and May 1, 1932. Of a total of 1,305 enterprises engaged in manufacturing and natural resources production, 85.5 per cent were then spreading work, the survey showed.



HE GAVE
the "Queen"
 A BETTER TUB!



A two-minute talk on retail sales promotion by General Manager M. R. Scott of Barlow & Seelig Manufacturing Company

"OUR organization began making washing machines 25 years ago. During that time, it has grown steadily. Even in years when the industry as a whole declined. Last year, it did better than 1931. This year, better still.

"We attribute this unusual gain to a very simple policy. *We give our*

dealers something out of the ordinary to sell. We incorporate in our 'Speed Queen' features of extra value. For example:

"An outstanding feature of Model A is the tub. It is made of Monel Metal, the finest tub material available. Can't rust, chip or crack, and withstands corrosion. Its brilliant, silvery lustre resists the strongest soaps and alkalis. The mirror smoothness of its surface outlasts the washer itself.

"But it has a further advantage. For years, Monel Metal has been heavily advertised. The public knows about it; appreciates its value. That makes sales easier for our dealers. Little more is needed to convince Mrs. Housewife that Model A 'Speed Queen' is a quality washer."

In laundering clothes, dyeing textiles, manufacturing drugs, preparing and serving food...in guarding against rust or chemical corrosion or severe wear... Monel Metal has been universally adopted.

The home owner is not far behind the manufacturer. The washer is only one of several household equipment items being made of this super-serviceable metal. There are also kitchen sinks, cabinet tops, range and table tops and hot water tanks. Each year sees Monel Metal enter a greater percentage of the new kitchens.

In your own business probably rust, wear and corrosion are ever-present hazards. Have you examined the possibility of cutting costs, speeding production or improving quality by the use of Monel Metal?

Give us an opportunity to tell you how others in your own line have gone about this...to their permanent and substantial benefit.

THE INTERNATIONAL NICKEL COMPANY, INC., 67 WALL STREET, NEW YORK, N. Y.



MONEL METAL

Monel Metal is a registered trade-mark applied to an alloy containing approximately two-thirds Nickel and one-third copper. Monel Metal is mined, smelted, refined, rolled and marketed solely by International Nickel.

Shaping new tools for the new tasks of management



Now is the time to get together, study and revise your printed forms.

BUSINESS TODAY throws a double challenge to management—an urge to lend a hand in creating a truly National Recovery and a demand to the individual organization that it shall put itself in order to meet a new set of operating conditions.

The principles of successful management have not changed—but each business must find new ways of applying them. Effective direct control means the intelligent and continuous use of written instructions, written

reports, signed, dated correspondence.

Properly designed business printing is a necessary and effective tool of management. For such printing thoughtful executives and careful buyers choose Hammermill Bond, the most widely distributed, most readily available bond paper on the market. Paper merchants in 97 cities carry large stocks for immediate delivery—important, when you must have new supplies of printing to meet new needs quickly. You can standardize on Hammermill Bond readily by asking your printer to use it every time you order letterheads, envelopes or any kind of printed forms.

OFFER TO EXECUTIVES

Hammermill has collected facts and experiences in the use of paper and printing. This material is included in a book called "Outline of Executive Success," which goes straight to the job of giving concise practical suggestions for organizing work, speeding up routine, freeing your mind and desk for more important things. Simply attach coupon to your company letterhead.

HAMMERMILL PAPER COMPANY, Erie, Penna.
Please send me my copy of "Outline of Executive Success." (Sent free anywhere in the United States. Outside U. S. 50¢)

Name

Position

(Attach this coupon to your Company letterhead)

Twenty-five Years of Motors

(Continued from page 22)

43,500,000 shares of common stock at \$10 par, and net working capital of \$259,499,831, of which \$200,488,763 was in cash, United States Government bonds and other marketable securities.

By reason of its strong cash position it was able to join with the Reconstruction Finance Corporation of the United States Government in establishing the National Bank of Detroit with \$25,000,000 capital toward solving the financial difficulties created by insufficient banking accommodations. President Sloan announced that the Corporation acted to assist Detroit without expectation of profits.

Seeking no monopoly

THE fact that General Motors' progress has been singularly devoid of disputes with workers or Government provides its own compliment to management. No effort has ever been made, the Corporation declares, to capitalize its strong position in the direction of monopoly control. After the first flush of property accumulations passed, General Motors' growth has been achieved by expanding the activities of the General Motors circle rather than by buying competing companies. It has confined its operations largely to processing and marketing without reference to controlling primary production of basic raw materials. Although one of America's greatest consumers of steel, it owns no ore lands; a mighty consumer of coal, it owns no coal lands. Only in lumber subsidiaries of Fisher Body does it reach down to basic raw materials.

Excluding motorized farm implements, which field it forsook more than ten years ago after an unfortunate tractor venture, General Motors is active in nearly all applications of the gasoline engine and in many applications of the electric motor. The outstanding producer outside the transportation field is Frigidaire, a motorized refrigerator.

Of late years plant managers have sought new lines of production in order to keep their plants busy, with the result that the present range of products is the widest in the history of the Corporation. In the automobile field, General Motors products range in size from a Cadillac V-16 to the "tiniest oil bearing made"; and beyond automobiles its interests include airplanes as well as small motors for electric fans. It manufactures house-heating and lighting systems, some chemicals, and even bicycle bells and footballs.

In April, 1933, General Motors and

its subsidiary, General Aviation Corporation, acquired a controlling interest in North American Aviation, Inc., which has interests in several important manufacturing and transport companies.

The roster of General Motors includes upward of one hundred subsidiary and affiliated companies, the more important being grouped as follows:

Eight in the passenger and commercial car group; ten in the Fisher Body group; 14 in the accessory and parts group; three in the household appliance group; four in the miscellaneous group; seven in the aviation group; 22 in the overseas group; five in the financing, insurance and accounting group; six in the real estate group; and three in the research and training group. Manufacturing or assembly operations are carried on in 36 American communities and in 11 foreign countries.

Employees, not including those of certain affiliated companies, increased from 14,250 in 1909 to 233,286 in 1929, when pay rolls reached a peak of \$389,517,783. General Motors has never missed a dividend on its preferred stock and in 1928 paid more than \$165,000,000 to common stockholders. The peak in net sales was reached in 1929 with \$1,504,404,472.

Building its good will

SINCE the business is so vast that the public at large is its customer, the Corporation sets great store by public good will, cultivates that good will by detailed reports to its 350,000 stockholders and by consumer research endeavors to discover what its millions of customers desire in goods and services.

It is fairly obvious that the genius of General Motors is susceptible of many interpretations. Yet the most superficial study of its history would disclose that it has had no tangible mascot for its success. Rather its strength has been in its acquisition of new ideas. To every method, to every process, to every bit of organization, to every commitment of its resources it has consistently applied the test of fresh thinking.

Decentralized as the administration has become, the great corporate entity of General Motors has never been "depersonalized."

Incomparably more important than the ingenious and intricate mechanical devices to General Motors are the men and women who make up its staff. Not all the devices listed in the Patent Office would avail the factory which had a lazy, clumsy, disloyal staff.

So it is that no matter how difficult the Corporation's purpose, it may be formulated and announced with complete faith. General Motors has found the energy, the skill, the enthusiasm, and the invigorating imagination to preserve and increase the sound growth which stems from the great tap root nourished on the confidence of the public.

PROMPT INFORMATION

*an inside as well as an
outside need*

EVERY BUSINESS organization needs more than ever a common purpose running through the efforts of all and each of its members. Manpower must be applied to a common goal; work must be directed with singleness of purpose.

Whether the problem is to stir up your salesmen to retrieve lost sales and achieve new quotas—whether to set up new standards of work in your factory, store or office—whether to distribute promptly important information to your dealers about new prices or new qualities, your office duplicating machine can contribute helpfully.

Special letterheads on mimeograph paper, attractive headings for timely bulletins, forms ready for figures and data provide the ammunition that can be fed through your own equipment.

It is important that such messages be more

than mere duplicated copies. They should have character. Hammermill Mimeograph paper has the crackle, the feel, the appearance, the folding qualities of a bond paper... At times there will be last minute corrections—erasures. You can erase and re-write neatly on the surface of Hammermill Mimeograph... Even your pen signature will be clean, sharp and without feathering... And of course Hammermill Mimeograph will run through your equipment at high speeds with a minimum of offsetting or other operating trouble.

Hammermill Mimeograph not only serves with exceptional satisfaction the field indicated by its name, but combines many other virtues of real value in giving your message the cleanness, attractiveness and dignity you demand. Hammermill Mimeograph is made by the makers of Hammermill Bond.

"THIS PORTFOLIO HAS
IDEAS I'M GOING
TO USE!"



HAMMERMILL MIMEOGRAPH PAPER

BY THE MAKERS OF HAMMERMILL BOND

AN OFFER TO MIMEOGRAPH USERS

There are two ways to satisfy yourself of the performance of Hammermill Mimeograph paper. One is to see and study the range of specimens in the Portfolio of Hammermill Mimeograph. The other is to try 100 sheets of Hammermill Mimeograph on your own machine along with a regular run. Use the coupon.

HAMMERMILL PAPER CO.
Erie, Penna.

Please send me without charge

☐ the new Portfolio of Hammermill Mimeograph

☐ a test package of 100 sheets

(Sent free anywhere in the United States. Outside U. S. 50¢)

Name.....

Position.....

Make and model of machine.....

(Be sure to attach coupon to your Company letterhead)



NB-10

What Union Labor Seeks

(Continued from page 15)

dom granted by the Act and they must have that freedom in its fullest measure. The idea that any private power should exist to curb that freedom is repugnant to every decent concept of democratic life. Tremendous benefits are offered to employers through organization. Modification of the anti-trust laws is but one of these. The Act goes far in the direction of compelling employers to organize. When they need help in perfecting organization, the Government will give it to them. Their right to organize and to function when they have organized is regarded as a paramount necessity.

Completely organized industry

NOW, this being the case, we may look forward to an industrial world completely organized according to trades and occupations. Here we have, already in an advanced state of achievement, an organized industrial commonwealth. Membership in a trade association constitutes a voting franchise in this new commonwealth of industry. Let me ask whether any American who is willing to think beyond the narrowest limits of selfish property interest believes it fair that labor alone should be shut out from the exercise of the franchise, or whether it will consent to be so shut out. It is unthinkable and impossible.

At this hour labor has insufficient representation in the councils where great issues are decided. One of our chief complaints just now in relation to the Administration of the National Recovery Act is our limited participation in the making of decisions. We insist upon a wider participation, not as a matter of privilege, but as a matter of right and of national economic necessity and well-being. In our looking forward into the future we do so with the matter of that extension of participation uppermost in our minds.

We do not regard the National Recovery Administration as being in its final form. It was brought together quickly, almost impulsively, for emergency work. In a sense it is crude as we have it today and I am sure General Johnson will agree with us. For himself he regards nothing as finished if it can be improved. He is a dynamic personality. He moves swiftly and forcefully. He has changed many things since he first took office. He will change more things. In view of the necessary lapse of time between the writing of these words and their final presentation to the reader, I think I violate no secret

when I tell you that the General has agreed with us upon the creation of a new administrative body upon which there shall be what I hope will be adequate labor representation. I cannot go into the details of this body at this time, beyond saying that there will, in all probability, be a central body over the whole field, with distinct administrative groups for each industry.

We cannot at this time know how much of democratic practice there will be in the selection of the men who will compose these administrative groups at the outset. We still have much to discuss about that. But, no matter how they are chosen at the outset, I am certain no one can doubt that there will be a constant struggle for more democratic methods of selection as time passes, so that the trend will be toward the creation of something like an industrial congress. Is it clear that we have set our faces in a new direction and that we shall never again look upon the old ways?

It would be foolish to undertake at this hour a prediction as to what, in detail, is in store. I do not know. I do not believe anyone knows. But surely we can know that we have embarked upon a new course and we can, if we are thoughtful, make out in our minds some of the possibilities and implications of our actions.

If all of industry can go forward in a wise and sincere effort to make this democratic experiment work, then we may contemplate the dawn of a new order into which we shall evolve without any tremendous shock. It will be the fruit of a capacity for self-restraint, for self-government, for reasoning among ourselves.

Should the thought occur that labor in the days ahead, organized and secure in its position as an organized entity, might, through its economic strength, impose upon some industry or some community an unjust burden or an economic wrong, let me do my best to set such doubts at rest.

I know, of course, all of the stories that have been told of restriction of output by union workmen, the stories of abuses of power and of protection of those who might "soldier" or do but a partial day's work, as such work has been measured.

It would be foolish to say there will be no abuses, for there will be abuses and fault finding in any group of men, even among those whose interests are theoretically alike. And I think it ill becomes employers to cast aspersions upon labor for maladjustment, or for limiting output, for the breakdown of

our whole way of doing things came in 1929 out of the full flush of power and control in the hands of employers. Beside so gross and tragic a maladjustment of distribution, beside so gross and astounding a margin between produced commodities and consuming power to move them, the maladjustments that have been charged to labor, even if all were true, dwindle into something approaching insignificance.

But let me say this word, which I hope will be reassuring. It is no part of labor's purpose to protect the incompetent in privileges and returns to which they are not entitled; except that we will see to it if we can that every human being who is good enough to be employed is good enough to deserve a decent standard of living. Labor looks forward to the development of a new kind of industrial civilization, not as a source of unearned increment, but as a source of justice long denied. It looks forward to a time when service can be given with the hope and assurance of a proper reward. We are looking toward more of industrial justice, not less; and we want for employers a full measure of justice, even as we want it for ourselves. In short, what we see ahead is a time when chicanery, subterfuge, undue advantage and malingerings of various sorts will have no place in our industrial life because the incentive to resort to them will have vanished.

A common endeavor

I URGE management and employers to move with us into a new day in common endeavor, in mutual confidence, in a united purpose to create a better nation for those in every walk of life. We have seen plenty of injustice and none surpassing that which has sent thirteen millions of our fellow Americans into the streets in hunger. May I suggest that these unemployed and hungry Americans are of the same type, many of them the same individuals, who, had they been clothed in uniforms, marching away to war, would have been acclaimed as heroes, even as they were in 1917. They are none the less eager to serve their country, to preserve its ideals and to heighten its destiny. If we can set our direction right, if we can mold just laws, we need have no fear, I think, of the petty faults that may occur. They cannot be worse than those that have followed out of the bad workings of the old ways.

I am often asked what labor "expects to get out of this." I do not like the question. Labor is not embarking with other Americans in a contest to see

who can take the most from others and at the expense of others. Labor has always given more than it has taken. Nobody would today be considering labor at all, whether to give or take, had not the nation, through wanton robbery of its workers, created a condition that had gone to the verge of disaster for all. Rather than ask what labor expects to get, let us ask how much the nation can give to its workers of justice and decent opportunity and freedom from exploitation and the right to enjoy those essential liberties that have been hitherto the birthright of employers and financiers and the learned professions.

It would be unjust not to perceive and acknowledge in pride and gratitude the great surge of national conscience and social responsibility that has come over America. In two great laws, the anti-injunction law and the Recovery Act, Congress has stated these rights in the law of the land. Fewer and fewer stand out against them. How magnificently we have already moved forward! But, crediting this tremendous advance to the full, we must preserve our militant attitude until the last vestige of opposition has been swept away, for success of the new order demands full and unqualified exercise of these rights. There can be no evading the issue as long as any of the issues remain.

A stronger labor movement

THE growth of a tremendous labor movement need frighten none save those who would deal unjustly with their fellow men, and the complete granting of the freedom set forth in the National Recovery Act must lead to a labor movement such as no nation has ever known. Up to this time in our history the World War marked the height of labor organization. But even that height must be surpassed in the near future. A nation accustomed to a labor movement five million strong must come to contemplate a civilization in which every last worker has his place in an organization of his fellows, where he may speak his mind, have his vote and count in the final determination of the great human issues of our time. Every citizen may vote for the President. Profits are not more sacred than the presidency. The welfare of every living human being in our nation is, however, just as sacred, because the purpose of the presidency is to protect and safeguard that welfare.

I should like now to go back just ten years—ten years almost to the month—to show that labor set forth the platform and expounded the philosophy upon which the Government is today building what we hope will be a new economic security and a new industrial justice.

"Industry's Manifest Duty" was the title of a pronouncement adopted unanimously by the convention of the

To manage for profit, to protect against loss, you need, right now, the

NEW Financial Handbook

1933 Edition
Just Out

GREATEST concentration of information on everything relating to practical financial management between two covers. In one place, you have the things you continually need to know about managing everyday finances of a small or large business, handling transactions arising out of the issue of stocks and bonds, using bank and credit facilities, analyzing and making investments (see contents at right).

Equips You to Handle Successfully All Types of Financial Situations

In considering the effect of new laws, new standards, innovations in practice—the whole host of matters you may never have had to take into account before, you have in this Handbook just the reliable guidance you want. You can deal promptly with new or unusual situations; look ahead to consequences; know what to avoid. On scores of vital points, you get help you will not find anywhere else.

Makes Accessible Best Experience to Date

In using this great Handbook, you add to your personal equipment for handling financial questions, methods, ideas, and suggestions from hundreds of priceless first-hand sources—opinions of leading authorities; financial reports; court cases and law reviews; business, accounting, and banking journals. Illustrations without number give you the direct benefit of recent experience in companies of all sizes.

Compressed into this one sturdy volume of 1675 pages is material equal to 10 big books. Everything plain, easy to use; 60-page index.

Sent for 5 Days' Examination

If you are a treasurer, controller, or other responsible officer of a business; if you are an accountant, lawyer, or banker giving financial counsel—the new *Financial Handbook* is an investment that will repay you hundredfold.

Send for a copy. You risk nothing: the book will be shipped on approval. If it does not convince you that it offers help you do not want to risk being without, send it back.

Mail the order form at the right—now



Edited by
ROBERT H. MONTGOMERY
Counselor-at-Law, Certified Public Accountant
Assisted by an Editorial Board
of 48 Able Specialists

29 Sections Cover:

Corporate Organization and Procedure; Financial Statements and Reports; Working Capital Management; Control of Cash; Control of Inventories; Credits and Collections; Negotiable Instruments.
Fixed Capital Expenditures; Bonded Indebtedness; Stock Capitalization; Surplus, Reserves, Dividends; Budgets; Consolidations, Mergers; Reorganizing Solvent Concerns; Compositions, Receiverships, Bankruptcy; Commercial Bank Relations; Investments; Insurance; Foreign Exchange; etc.

1675 pages; flexible binding
Price \$7.50

Mail This Form

THE RONALD PRESS COMPANY
15 East 26th St., New York, N. Y. M655
Send me postpaid a copy of the new Second Edition of the *Financial Handbook*. Within five days after its receipt, I will send \$7.50 in full payment or return the book to you.

Name (please print)
Firm or Reference* Title or Position
Business Address
City State

*Must be filled in if order is not accompanied by cash.



Go as you please ROUND THE WORLD

\$749 First Class



Once upon a time a trip Round the World took lots and lots of time, and cost a fortune. But like so many other things all that is changed today... Actually you may circle the globe on President Liners in no more than 110 days—visiting 21 of the world's most thrilling ports in 14 countries—for no more than it would cost just to stay at home. If your time is limited, you can do it in 85 days. And President Liners, the only ships that sail Round the World on regular schedule, offer privileges you would never dream of finding anywhere but on a private yacht.

Your travel agent or any of our agents (New York, Chicago, Seattle, San Francisco, Los Angeles and other principal cities) will be happy to show you pictures of President Liner accommodations and tell you all about our other services: Between New York and California, and to the Orient via Hawaii and the Sunshine Route or via the Short Route from Seattle... on any of these trips you go as you please, stopping over as you choose.

Dollar Steamship Lines

DOLLAR American Mail Line



HUGE PRESSED STEEL FACILITIES for Large Volume Production

With hundreds of modern presses supported by every facility from die making to assembling, Truscon produces the highest quality pressed steel parts or products on a large scale. Long experience, wide technical knowledge, high standards of workmanship and rigid inspection all combine to achieve accuracy and full structural strength. Enormous buying power and ingenious methods for reducing the number of operations permit us to obtain lowest costs. All processes are conducted under one responsible head enabling us to fulfill any tonnage or delivery demands. Our engineers will assist you in the solution of your pressed steel problem, without obligation.

Write for Estimates, Suggestions and our Pressed Steel Handbook

TRUSCON STEEL COMPANY

PRESSED STEEL DIVISION, 6100 Truscon Ave., CLEVELAND, OHIO

MAIN OFFICE: YOUNGSTOWN, OHIO

Sales and Engineering Offices in all Principal Cities



TRUSCON

When writing to TRUSCON STEEL COMPANY please mention Nation's Business

American Federation of Labor, in session in Portland, Ore., in October, 1923. It was my good fortune to be a member of the executive council which laid this pronouncement before the convention. It said:

What we have observed is that the period ending with the beginning of the World War found political democracy in its fullest state of development, while the close of that period of overwhelming upheaval marked the opening of the period of intelligent demand and living need for industrial democracy. . . . Henceforth the movement for the organization of the workers into trade unions has a deeper meaning than the mere organization of groups for the advancement of group interest, however vital that function may yet remain.

We went on to declare:

"Through the muddling conflict of groups which still find it impossible to come together in cooperation we must look to a future that must have its foundation upon cooperation and collaboration."

Freedom for labor

AS FOR Labor's part we held, as we still hold, that "the organization of the workers into trade unions must mean the conscious organization of one of the most vital functional elements for enlightened participation in a democracy of industry whose purpose must be the extension of freedom, the enfranchisement of the producer as such, the rescue of industry from chaos, profiteering and purely individual whim, including individual incapacity, and the rescue of industry also from the domination of incompetent political bodies."

I find it necessary to quote one further paragraph because it so fits the situation as we face it in this critical hour, it so clearly lays the foundation of policy and philosophy for the profound developments consequent upon enactment of the National Recovery Act. It is this, and I counsel its careful reading:

Industry must save itself. Industry must find itself. Industry must organize for service, for constructive effort, for orderly continuity, for justice to all who participate. It must bring itself to a realization of its mission and to that end it must organize and come together in deliberative bodies where the full wisdom and experience of all may contribute to final decisions. Much the same lessons that we have learned in our political life—among them the sense of order—must be learned and given effect in our industrial life. Fact must take the place of opinion and selfish interest. To function must be the object, and democratic participation of all who give service must be the mechanism that makes this possible. Industry must realize that it exists to give service to a nation and not to a single master, or to a syndicate of stockholders. We must have an American industrial life, an American industrial order, not a warring group of units, each

seeking to be a law unto itself, the while inviting the interference of those whose competence is at best an unknown factor.

The convention, adopting this declaration, placed upon it a typically American cap-sheaf, saying, "Humanity must learn to govern itself in industry as it has learned to govern itself in political affairs and to give effect to the same stability and the same guarantees of human freedom and human rights."

There, I think, we have a statement of what labor expects to be the growth to follow after these first days of one of the world's greatest experiments in organized progress through the controlled and orderly remodelling of a great social and economic order.

Labor, for its part, is prepared to contribute its best effort for national American welfare, but it will not suffer any denial of rights in the process. It is still better to battle for liberty than to lose without a struggle. If working people seize the opportunity offered by the National Recovery Act we shall have in our time the most marvelous civilization, the most marvelously happy people, the most advanced standards and the highest type of ordered freedom the world has ever known. We perceive in the operation of this law not only an unmatched opportunity to bring improvement to ourselves, but to offer to the world a leadership that it sorely needs.

The Point of View

LEJAREN Å. HILLER, artist and photographer—or perhaps it should be artist-photographer—is known to all our readers, if not by name at least by his works. He has made our recent covers including the one on this issue.

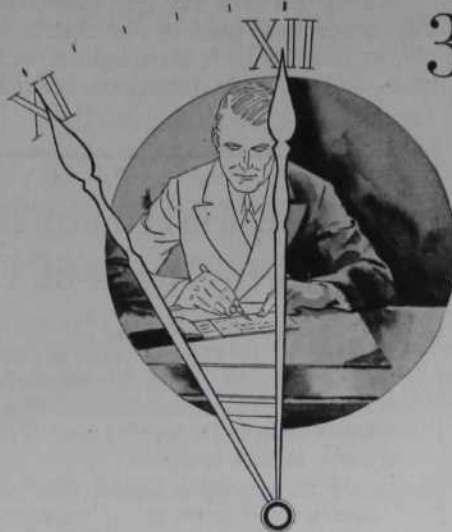
Mr. Hiller has imagination—his work shows that—and if further proof is lacking here's a story he told me the other day:

"I was fussing around in Mexico some years back, getting together a collection, amongst other things, of those little clay heads which the old Aztecs used to make. These heads average one inch or one-and-a-half inches in size. To me they are not only interesting from an archaeological point of view, but also because of the beauty of their modeling and the character that these Aztecs managed to get into them. Some apparently are of a remote period as they are crude in their execution, and again others have all the delicate refinement of Egypt.

"Among the tourists at my hotel was an official of an American insurance company. He kept telling me he was eager to get back to current affairs and could get little kick out of ruined Aztec temples.

"As I was showing a few of the women tourists some of my clay heads

How John Elton crowded 30 or 40 years into 5 minutes



The Equitable Case Method enabled him to create an estate with a stroke of the pen

Young Mr. Elton earned a good income but had not been able to get very far toward reaching a cherished ambition—to provide a large enough estate to take care of his family.

One day he decided to see how life insurance could help; he put the problem up to an Equitable agent. After learning all the facts, the agent assured him that life insurance could create a sizable estate immediately, and provide for a number of Elton's pet ambitions as well.

The program developed was made to Elton's measure, in accordance with the highly individualized Equitable CASE METHOD. It provided for a life income for his wife; college funds for his son; a marriage settlement for his daughter; a retirement income for himself.

This comprehensive estate, which might otherwise require a lifetime to accumulate, was underwritten by the Equitable all within five minutes.

Let an Equitable agent apply the Case Method to your financial problem

The Elton case is an illustration of the Equitable method of fitting life insurance to individual needs. Your age, your income, your objectives in life and many other factors are taken into account—and then an effective economical program is developed for your consideration.

THE EQUITABLE

FAIR — JUST

LIFE ASSURANCE

SECURITY — PEACE OF MIND

SOCIETY

MUTUAL — COOPERATIVE

OF THE U.S.

NATION-WIDE SERVICE



The EQUITABLE Life Assurance Society of the United States
Thomas I. Parkinson, President. 393 Seventh Ave., New York, N. Y.

I am interested in your "Case Method" of adapting life insurance to specific needs.
Kindly send explanatory booklet.

NAME

ADDRESS

AGE

40N



INCREASED PAYROLLS
make "L-M-C" ECONOMY
more important

Putting men back to work? Then consider the sound economy of "L-M-C" coverage for your Workmen's Compensation insurance.

This 16-million dollar company offers dependable protection backed by a depression-proof record of conservatism in underwriting and investing. And for twenty years annual dividends paid policyholders have substantially reduced the cost of their insurance.

Ask your nearest "L-M-C" representative for full details of the "L-M-C" Plan for Workmen's Compensation, Automobile and other casualty insurance under dividend-paying policies.

LUMBERMENS MUTUAL CASUALTY COMPANY

James S. Kemper, President

Mutual Insurance Building, Chicago, U. S. A.

WORLD'S GREATEST AUTOMOBILE MUTUAL



**Help the
NEW DEAL
By using the
NRA
SEAL**

President Roosevelt says:
"The display of this seal on your merchandise, packages, letters and advertising means consumer recognition and goodwill."

EVER READY is authorized to manufacture and sell N R A Seals to those firms that have signed the President's agreement.

YOU MUST BELONG TO BUY.

Style A (Size of Govt. Postage Stamp)

Style B (Size 1½ in. x 1½ in.)

5000 SEALS at \$1. per M.

Single thousand \$1.50. (Postpaid).

WRITE, WIRE or PHONE your order today.

EVER READY LABEL CORP.

257-263 WEST 17th ST. NEW YORK, N. Y.

Are Stocks Still a Buy?

Write for this
report—gratis

Babson's Reports

and the famous

BABSONCHART

Div. 13-66, Babson Park, Mass.

one evening, the insurance man joined the group. He had little interest in the heads, even remarking that they were 'only mud.'

"Now I had been told that these little clay heads were used by the Aztecs of old, as pleas to their gods against sickness—sort of little insurance policies.

So I explained all this to him and he found a new interest in them and tried to get some for souvenirs to send to insurance customers and prospects."

And that is proof as I have said of an imaginative mind. And imagination is an asset in selling just as it is in editing or in art.

Mr. Harriman Explains the Labor Provisions of the Recovery Act

(Continued from page 15)

er it is proper to enter into a contract to employ exclusively members of a particular labor organization. May I quote General Johnson's Labor Day address on this question:

If an employer should make a contract with a particular organization to employ only members of that organization, especially if that organization did not have 100 per cent membership among his employees, that would, in effect, be a contract to interfere with his workers' freedom of choice of their representatives or with their right to bargain individually and would amount to employer coercion on this matter which is contrary to law.

In other words, a closed shop contract is illegal.

I AM frequently asked whether it is permissible for employers to discuss with their employees the desirability of joining a labor organization and the relative advantages or disadvantages of a local or a federated trade organization. Nothing in the law prohibits full and free discussion on such matters between an employer and his employees, unless such discussion results in interference, restraint or coercion of employees in their final decision as to individual or collective bargaining and the organization through which they will bargain. Fair discussion is desirable, but anything which savors of coercion or intimidation is against the law.

I AM also frequently asked what would happen in case some of the employees of a company join a labor union and desire to bargain collectively while the rest prefer to bargain individually, or what would happen in case some of the employees join one union, some another union and some remain apart from any organization. The law specifically requires collective bargaining when desired and in these cases the spirit of the law would seem to be fully met if an employer would ask the selected representatives of the trade union or unions to meet with him in the presence of one or more members of the group who did not care for collective bargaining.

IF AN agreement satisfactory to the employer and to the various groups of his employees can be reached, well and good. If they cannot, then the employer must decide with which group, all things being considered, it is most desirable for him to deal. If the remaining groups wish to play ball, all right. If they do not, then obviously the employer must proceed with those of his employees with whom he has come to an agreement. The right of collective bargaining does not mean that an agreement will be reached with all or with any group. It simply means that a sincere effort must be made to try to agree.

IN TIMES of great industrial change we may always expect that extremists will appear and that representations will be made which are not fair and in accordance with law. Neither employers nor employees are without blame at present.

Certain employers have undoubtedly attempted to force a company union on their employees and to bar the representatives of national labor organizations from their shops. On the other hand the representatives of organized labor have made unwarranted statements to the effect that General Johnson desires all labor to be nationally organized; and that only through such organizations can the benefits of the law be had. Such statements are wrong and are to be strongly condemned. They create trouble and in the long run they hurt the cause they are assumed to benefit.

THE President has well said:

This is not a law to foment discord and it will not be executed as such. This is a time for mutual confidence. We can safely rely on the sense of fair play among all Americans to assure every industry which now moves forward promptly in a united drive against the depression that its workers will be with it to a man.

Let us see to it that we, as members of industry, act in accordance with that wise precept of the President, that we deal fairly with labor, and that we insist that labor deal fairly with us.—HENRY I. HARRIMAN
President, U. S. Chamber of Commerce

PRIVATE FINANCING

If a problem involving refinancing in the amount of a million dollars or more is pressing for solution, a conference with me may prove of mutual advantage.

My unique experience has enabled me to achieve success in problems of unusual difficulty and complexity which have faced some of the nation's best known and most important individuals, estates and corporations.

Nothing in this statement is to be construed as applying to promotions or other business-launching projects. These cannot be considered.



L. N.
ROSENBAUM

Consultant and Financier

60 Wall Tower, New York

Telephone: WHitehall 4-6784

The Consumer Doesn't Change

★ I DON'T know who described in advance this September 1933 world of ours a changing world, but he certainly called his shot. Of course, it's no news to the business community that the specter of change is riding the high horse. The country at the moment is change-drunk.

I am a little fearful that we shall plunge into change for the sake of change alone. We are perilously liable to take our eyes off our customers.

A cross section of consumers

I HAVE had the privilege of observing the behavior of what is probably as large and representative a cross section of the public as comes into any store—150,000 or so a day. The other day one of them was the wife of one of the richest men in America: she bought 36 baby-cribs for a charity home in which she is interested, and two hats for her person, in which she is also interested. Another was a sailor from a French liner: he bought a book on American jazz music. Another was a prospective mother who paid us the delicate compliment of having a baby right in our own hospital. Another was a radio actress, buying clothes for her daughter. And there were roughly 149,996 others, from Cheyenne, Wyo. to Hackensack, N. J.—and from the rarefied air of Sutton Place to the walk-ups in the East Bronx—the total, I take it, is America; the total of their behavior, I take it, is the national consumer attitude.

On the first morning of the bank holiday, they bought 25 per cent more china and glassware than they ever bought before on the first day of a mid-winter china sale. Is that change?

On the first day the state sales tax went into effect, they bought in precisely the proportion of requirement that they showed on the same day of 1932.

No one watches for symptoms of public behavior more keenly than a department store, unless perhaps it be a newspaper. I challenge any store, any newspaper, to adduce convincing mass proof that the consumer wants change for its own sake. Change she most emphatically does want—as it continues to offer her for a reasonable price merchandise which will make her prettier, more comfortable, smarter—or which will make her home more livable and easier to run.

So merely, because change is running hog wild for its own sake, let us advertising people string along with the pub-

MR. EXECUTIVE DICTATOR:



you
+



=



greater
business
capacity

The new Pro-technic Ediphone can increase your firm's business capacity—by 20% to 50%. This is a FACT which Edison will prove to you.

You haven't seen a modern dictating machine until you've seen the Pro-technic! It's different! Tailored in steel! All mechanism is concealed, protected from dust. It occupies less floor space. And its "Balanced" Voice Writing makes dictating easier! ★ ★ "Desk" designs are available.

Let us show you in detail by an office study just how we will increase the business capacity of all your dictators.

For full information, telephone The Ediphone, your city. Or write to—

Thomas A. Edison, INC.
ORANGE, NEW JERSEY



I am interested in increasing my firm's business capacity.

Name _____

Address _____

When writing please mention Nation's Business

When writing please mention Nation's Business

A SOUND BUSINESS REASON

In any group of employees, death takes its periodical toll.

The employer cannot afford to have destitution in the homes of these former employees.

But he can readily afford to provide a substantial sum through Group Insurance on the contributory plan. That is the essential reason for its popularity.

INQUIRIES ARE INVITED
from Employers of uninsured groups



THE PRUDENTIAL
INSURANCE COMPANY OF AMERICA

EDWARD D. DUFFIELD, President

HOME OFFICE, NEWARK, N. J.

lic, and apply a little extra energy to studying what they want next, and how we can get it to them better for less. Of one thing you can be sure—no legislation or trade association will ever prevent the consumer from finding that better article for less. Anyone who elects to give the consumer unnecessary expense is signing his own resignation from business. A study and regulation of distribution is a wholesome thing; there have been costly complications in the national system. But, no matter how favorable may be the regulations evolved for governing us producers and distributors, the system will do us no good unless we have something the public wants—and what the public wants is not price—but merchandise.

The limits of the public's desire to buy new ideas have never been remotely approached. Manufacturers and retailers have strained the public's capacity to buy certain stereotyped things; for instance, they found out the limit of sale for radios at \$100 and up, and the sale of radios died—but when a \$20 radio bobbed up, the consumer went for it. The man who perfected the \$20 job wasn't just trading down to a reduced purchasing power—he was trading up to a tremendous latent consumer want. The more the manufacturer and retailer concentrate on that type of want, the more certainly they will put people to work, turn wheels, load cars and make sales—no matter where labor prices or retailing costs may be pegged.

Change for the sake of change alone, then, seems to me to be symptom number one. Its cure seems to be extra ingenuity in studying the real wants of a largely unchanged consumer.

Products fight each other

THE second symptom I venture to touch on is a by-product of every after-war period. Every convalescent is short-tempered. The period after the Revolution, after the war of 1812, after the Civil War, was in each case a large scale dog-fight. In the past few years, the national advertisers have filled the air with acrimony.

A company utters a "challenge"—not to the public, but to a rival. The rival says "challenge accepted," and piles into full page abuse.

In this ill-natured hawking advertisers are likely to lose sight of the consumer. But the consumer has a critical eye on advertising. For those advertisers who have shown contempt of his intelligence, he is repaying contempt in the form of increased advertising costs. I believe that advertising's only profitable course is to change back to good-natured and genuine conversation between a self-respecting tradesman and a self-respecting customer. —PAUL HOLLISTER, Exec. Vice Pres., R. H. Macy & Company.

BANISH *that* YAWN *with a* Sparkling Come-Back



There's no chance for a yawn if you pause for an ice-cold Coca-Cola. Refreshed, you rebound to normal. Drowsiness is banished with a sparkling come-back. An ice-cold Coca-Cola is more than just a drink. It's a very particular kind of drink—combining those pleasant, wholesome substances which foremost scientists say do most in restoring you to your normal self. Really delicious, it invites a pause, *the pause that refreshes.*

Refresh yourself
and be alert
Snap back to normal



Cut the cost of protecting your premises/ fire...

even the most conscientious watchman may fail to detect it before it is beyond control. But AERO Automatic Fire Protection detects fire at the outbreak without human aid. The first breath of flame causes an alarm to be flashed to the fire department with lightning speed. AERO watches every nook and corner constantly — during twenty-four hours of every day — it has none of the shortcomings of humans — and it can serve you at a saving.

theft...

burglaries are increasing at a rapid rate. A.D.T. Burglary Protection is positive protection. Burglars stay away from A.D.T. protected premises because they know that armed forces stand ready to close in on them the moment entry is attempted.

Adequate property protection is insurance against interrupted recovery programs. It is a wise precaution for the protection of employment and the continuity of business. Investigate these ever vigilant automatic systems — your costs may be favorably affected and the safety of your property will be immeasurably increased. Coupon will bring descriptive literature.



CONTROLLED COMPANIES OF

**AMERICAN DISTRICT
TELEGRAPH COMPANY**

155 SIXTH AVENUE - NEW YORK, N.Y.

AMERICAN DISTRICT TELEGRAPH COMPANY
155 Sixth Avenue, New York, N.Y.

Please send me booklets describing A. D. T. Automatic
Protection Systems.

Fire Protection ☐ Theft Protection ☐

If your property is automatic sprinkler equipped please
check here ☐

Name _____

Address _____

When writing please mention Nation's Business

Sidelights of the NRA

ANYONE who doubts the immensity of the job undertaken by the NRA has only to sit in at the hearings for a short time or talk to a few of the business men affected. Such a course will change wonderment as to why more has not been done to amazement that so much has already been accomplished. Here are a few examples selected from many.

HOW often is "Occasionally?" One of the trucking codes, in defining "a carrier of property for hire" says that "a farmer who transports his own products in his own vehicles and who may occasionally accommodate a neighbor by hauling similar goods" shall not be considered in this class.

"But," says an apostle of accuracy, "would it be occasionally if he did this once a week? Would it be occasionally if he did it for one neighbor one day, for another neighbor another day, and so on?"

It's little questions like these that make long hearings.

AT the hearing on the code for the iron and steel industry, a representative of negro workers contended that there was no real difference in living costs in northern and southern cities. He pointed out that in Birmingham the price of chicken was lower than in Pittsburgh. On the other hand, the price of a chuck roast of beef in Birmingham was considerably higher than in Pittsburgh. The actual figures were taken from the June, 1933, report on Retail Prices and Cost of Living, published by the United States Bureau of Labor Statistics. Since regional differentials in minimum wages must be based upon actual or assumed differences in the cost of maintaining the same standard of living, the Recovery Administration must answer this question:

Assuming that chicken for Sunday dinner is essential for the maintenance of a decent standard of living by the negro worker in Birmingham, at what level should the minimum wage of the white steel worker in Pittsburgh be fixed that he might consume for his Sunday dinner an amount of roast beef exactly equivalent both in calories and in gustatory satisfaction to the chicken consumed by the Birmingham negro?

A COLLATERAL benefit of the NRA seems to be that it has ended the old dispute as to which is the "most peculiar industry." The title has been temporarily awarded to selling "on the road." For this reason the proposed code sets no minimum hours. It asks minimum salaries, guaranteed expense accounts and week-ends at home when the expense of the trip is not greater than the cost of remaining in the territory. Salesmen on a commission basis ask a guaranteed drawing account large enough to cover their actual expenses. Those on a contract and bonus basis ask

contracts based on the average selling expense of the past five years and assurance that they will not be asked to work for less than \$150 a month.

The requests are presented by the United Commercial Travellers of America, representing more than 100,000 active and retiring salesmen. If its campaign doesn't get across we at least will be spared the sales managers' common complaint that "there weren't salesmen enough to cover the territory."

ONE of the taxicab codes submitted exempts drivers from minimum wage and hours provisions on the ground that they are "outside salesmen." Like salesmen, they frequently work on a commission.

The transit industry, however, wants taxicabs — its competitors — brought under hours and wage control to promote fair competition. The taxicab leaders, however, point out that some cabs are operated by their owners. They feel that restrictions on companies which hire drivers will subject them to unfair competition from these driver-owners.

If the NRA can unravel this tangle it will do something that public service commissions and taxicab control boards have long tried to do without much success.

THE reduction in working time, brought about by the acceptance of the President's Reemployment Agreement, coupled with the stimulus to the industry provided by the legalization of beer, has created a demand for skilled pretzel bakers far exceeding the apparent supply. The proprietors of a newly organized pretzel factory in the South, having tried without success to recruit skilled pretzel bakers from the North, were forced to ask Government aid. Whether or not enticing a pretzel baker from an already lucrative job in the North to accept a still more remunerative position in the South will be considered unfair competition is a question upon which General Johnson has not yet ruled.

The Government, however, is eager to help. Through the newly reorganized United States Employment Service, it is in a position to broadcast to its local agencies in the North the appeal of the Southern employer. Its interstate labor clearance facilities are trying to locate the needed pretzel bakers.

A MEMBER of NATION'S BUSINESS staff drove back from a short vacation and



WEAVING THE WORLD OF SPEECH

DAILY, as upon a magic loom, the world is bound together by telephone. There, in a tapestry of words, is woven the story of many lives and the pattern of countless activities.

In and out of the switchboard move the cords that intertwine the voices of communities and continents. Swiftly, skilfully, the operator picks up the thread of speech and guides it across the miles. Constantly at her finger-tips are your contacts with people near and far.

She moves a hand and your voice is carried over high mountains and desert sands, to moving ships, or to lands across the seas. London, Paris, Berlin—Madrid, Rome, Bucharest—Cape-town, Manila, Sydney—Lima, Rio Janeiro

and Buenos Aires—these and many other cities overseas are brought close to you by telephone.

Every day go messages vital to the interests of nations, the course of international business, and the affairs of individuals. Fifty operators, speaking a dozen languages in all, work in relays at the overseas switchboard in New York.

Great progress has been made in the past few years in extending the scope of this service, in speeding connections and in giving clear transmission. Today, more than 90% of the world's telephones are within reach of your Bell telephone.



AMERICAN TELEPHONE
AND TELEGRAPH COMPANY

WHY WORRY OVER TRENDS

WATCH the tides of economic change from the safe vantage of an Annuity Income.

It is definite, guaranteed and unfluctuating in amount *as long as you live.*

Interested? Write for our booklet.

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

JOHN HANCOCK INQUIRY BUREAU
197 Clarendon Street, Boston, Mass.
Please send me booklet, "You Can Have an Income as Long as You Live."

Name.....

Street and No.....

City..... State.....

N.B. 10-33

ACCOUNTANTS!

save time; increase your ability to handle new problems, new conditions

with this 1873-page handbook covering modern practice from simple bookkeeping to higher accounting.

GIVES information you need for a practical solution in any situation, everyday or emergency, you may meet. Covers entire range of accounting and related business activities—not only principles, working procedures, systems, forms, audits, etc., but executive controls, analytical methods, use of reports and statements, business law. Constantly useful, reliable guidance; 33 sections complete, in the Second Edition of the famous

ACCOUNTANTS' HANDBOOK

Just this content, without considering its range or the hundreds of authorities represented, would easily fill 10 big books, costing you many times the price of the whole Handbook. Here it is in one sturdy, handsome volume, handy for desk or brief case.

Nothing else like it at any price. In dealing with any question, you can select, not merely usual, but best method for your purposes. You get best opinion on all angles—banking, legal, financial, as well as accounting. Editorial Board of over 70 experts.

Widely used and recommended by executives; credit men, bankers—over 110,000 copies bought.

Complete Section Sent Free

Write today for 32-page sample section, with full details, including low cost, of this great Handbook. No charge; no salesman will call.

[Mail this form for your copy of Free Booklet]

THE RONALD PRESS COMPANY,
15 East 26th Street, New York, N. Y.

Please send me, without charge, the 32-page sample section of the Accountants' Handbook with full information about this book and its low cost.

Name..... (please print) M645

Address.....

City..... State.....

stopped in a little New England town for luncheon. The proprietor, who waited on the travelers in person and was half apologetic, explained that he had been obliged to cut down the time his waitresses were working. In fact he was afraid he might have to put on an extra girl.

"But," said he, "across the street is a rival restaurant which is operated by the owner and his wife and daughter. If I charge a nickel extra for roast beef to make up any added expenses I'm going to lose out to him.

"They tell me people will spend more money as NRA improves employment, and that I will get my share. But that seems a long way off."

IN LONG distance trucking the practice is for two drivers to alternate at the wheel and get their rest in a sleeping cab specially constructed on the truck. Sometimes the truck is away from its home station two weeks or more. It is recognized that the necessities of the service make it impracticable to count a driver's time while sleeping and resting as part of the hours worked in computing the maximum hours of service. The codes as submitted, therefore, provide that time of employees deadheading on trucks is not to be counted in applying restrictions as to maximum hours worked.

However, some of the companies pay their drivers at the hourly rate for all the time they are away from home. These companies urge that, as a matter of fairness between them and their competitors, the code should require all drivers to be so paid. (Railroad employees are paid while deadheading under orders though not always at the full time rates.) The Recovery Administration may have to decide whether and to what extent sleeping on a truck is work.

WHILE the public has been hearing about the difficulties of the \$12,000,000,000 petroleum industry, the \$13,000,000,000 electric utility industry, the iron and steel industry and the automobile industry, it has overlooked the problems of the corn cob pipe industry, the tooth pick industry, the bobbed and regular hair pin industry and the curled hair industry. Codes have been filed by all of these and each one is a distinctive unit, not a mere cog in a larger wheel.

THE manicure girl in your favorite barber shop also has a problem. The beauty shop operators do not want to be tied up with the barbers in the same code. They have filed a separate code of their own. Now what is she going to do?

A KNOTTY problem concerns hours of service and minimum wages for truck drivers directly employed by business concerns. Should they come under the code for the trucking industry or that of the particular business in which the employing company is engaged, for example, the retail coal business?

Many of the codes of manufacturing or mercantile businesses except their outside delivery employees. Other codes include

them. The for-hire truck operators contend that it would produce unfair competition if such drivers of private trucks should be allowed longer hours or lower minimum wages than those of the drivers in the for-hire trucking business.

A MAN in a town of about 5,000 runs a garage, sells some gasoline, does a little taxi service and, on rainy days, operates a small wood working plant or machine shop where he manufactures small articles. He employs two men literally continuously because they live on the premises and are on the job, if they are needed, 24 hours a day.

Obviously no code has been drafted with broad enough wings to catch all the ramifications of his business.

He wants to know what he is to do under the conflicting provisions of the following codes, all of which affect him—the International Garage Association Code, Petroleum Industry Code, National Association of Taxicab Owners Code, Lumber and Timber Products Industry Code, Fabricated Metal Products Industry Code.

SHOULD regulation, like charity, begin at home?

Mr. Keaveney, who, with Mr. Reed, represented the International Brotherhood of Electrical Workers at an NRA hearing, believes it should. The following conversation with Deputy Administrator Allen, is taken from the record:

DEPUTY ALLEN: The research department says to you if you will set the time tomorrow afternoon in their office they will be glad to meet you.

MR. REED: Does the Government function on Saturday afternoon?

DEPUTY ALLEN: Say!

MR. KEAVENEY: Do you get overtime for it?

DEPUTY ALLEN: Will you meet them?

MR. REED: I will try to meet them.

MR. KEAVENEY: You are asking us to violate one of our rules. We do not work Saturday. We have a five day week.

DEPUTY ALLEN: There is no rule with me, Mr. Keaveney.

MR. KEAVENEY: I know, but you ought to get yourself regulated.

FOR those who are impatient with the progress in completing the codes we offer the following extract from the code proposed for the transit industry:

provided that bus lines transporting passengers in both intrastate and interstate commerce when owned or operated by or subsidiary to an electric railway, if such operation is predominantly in intrastate commerce, may operate wholly under this code; but any bus line transporting passengers in both intrastate and interstate commerce may come under this code as to intrastate commerce and as to interstate commerce under some other appropriate code; and provided further that electric railways engaged in both intrastate and interstate commerce may operate either the intrastate or interstate portions of their business, or both, hereunder unless prevented by federal law.

If there are any buses left they probably would come under the bus codes.

The Crucial Question of Price

(Continued from page 25)

widespread but quick system of statistical reporting depending upon the employment of thousands of statisticians and the expenditure of much money. Statistical reporting, though, is not enough; research skill of a high order is needed in analyzing the data and constructing the indices.

Admitted that information is a *sine qua non* of planning, the question still remains whether 500 or more industries organized under separate codes can, on the basis of information, plan so as to keep the ratio of prices to purchasing power from getting out of hand. These separately organized industries may be as helpless in doing this as the single establishments were in abolishing unfair competition prior to organizing through the codes. Planning of this nature may need the continued assistance of the Government and any such high degree of organization no doubt implies restriction upon individual enterprises. Planning and control seem to go together.

This article began by noting the desirability of forgetting for the moment the short pull out of the depression so strenuously carried on under the able leadership of General Johnson and endeavoring to see what the long pull would be like. This endeavor calls for vision, which is always a bit speculative. Perhaps we may have tried to look too far ahead and may have seen too clearly through the dim mists that shroud the future.

Consider the dangers

I SEE no escape from trying to see where we are going, even if it does lead us into the dangers of speculation. Perhaps we may not go soon very far on the road toward monopoly price.

But then again changes are taking place more rapidly each year and we may go the route with greater speed than is now contemplated. We are certainly headed in the direction of eliminating many competitive factors, and are at the moment going fast. If this evolution continues the dangers are in high prices both for the various businesses which buy and for the ultimate consumer. There is also the danger of severer and prolonged business crises, the technique by which too high prices are overhauled.

To avoid these dangers, we need planning and control, which the New Deal promises. But these, like other ideals, are difficult to attain; and if they are not attained successfully, then what?

LOCATE IN NEW ENGLAND



.. WHILE BUSINESS
IS STEADILY IMPROVING



A late survey of New England business reveals the following salient facts: 1. Marked improvement in business activity, appreciably greater than that for the United States as a whole; 2. More employment and higher weekly wage earnings; 3. Further gains in the building industry; 4. An unbroken uptrend in production from March, 1933; 5. Better wholesale prices without marked change in cost of living index.

Now, if ever, is the time for aggressive promotion in this rich, compact market. And now, also, is the time to locate in the territory. For, to cover this market profitably, proper location is imperative.

In this connection, 29 different industries — over 100 tenants — have found the *Boston Wharf Company* the best location possible from which to serve New England trade. Situated only ten-minutes' walk from the heart of Boston, the *Boston Wharf Company* is a fully developed industrial area. Yet rents, insurance, and other charges are surprisingly low.

Investigate the possibilities of Boston Wharf Service, without obligation, by clipping the coupon below.

BOSTON WHARF COMPANY

Industrial Service Department
Boston Wharf Company, 259 Summer St., Boston, Mass.
Please send descriptive booklet of your property
and its relation to the New England market.

CLIP THIS COUPON
FOR LARGER PROFITS

Name _____ Position _____

Company and Address _____

N. B.

What's *New* in Business

To stay in business you must know what's new.

You find answers in your newspaper, your mail, your conversation with friends and business associates—but most of all in *your* magazine. Two departments, "No Business Can Escape Change" and "Developments In Distribution" bring you forty or more definite bits of news each month. Articles and editorials report, expand and discuss others.

THE advertising pages, too, are full of news of business.

Every month these pages bring you the latest developments in almost every business field. Here the outstanding leaders of American industry report the results of months and years of planning, research and effort in office, laboratory and factory.

Check the index of advertisers shown here. Turn to their advertisements each month. Thoughtful reading of the advertising pages is certain to give you many productive and profitable ideas.

In no other business magazine will you find the advertising of so many recognized leaders. This is an important part of the job Nation's Business does in keeping you informed of what's new in business.



This issue of NATION'S BUSINESS contains more advertising than any issue since June, 1932

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

These Advertisers have used *Nation's Business* in 1933 . . .

A. P. W. Paper Company
Acme Card System Company
Addressograph-Multigraph Corp.
Alemite Corporation
Alexander Hamilton Institute
Aluminum Company of America
American Airways
American Can Company
American District Telegraph Co.
American Express Company
American Mail Lines
American Mutual Alliance
American Sheet and Tin Plate
American Steel and Wire Company
American South African Lines
American Telephone and Telegraph Co.
American Tobacco Company
Associated Gas and Electric Co.
Babson Statistical Organization
Bakelite Corporation
Barclay Hotel
Boston Wharf Company
Bradstreet's Weekly
Brewing Industries
Bristol Development Board
Brown Company
Burroughs Adding Machine Co.
Campbell-Ewald, Ltd.
Canadian Pacific Railway
Carnegie Steel Corporation
Chesapeake & Ohio Railway
Chevrolet Motor Company
Ward Christie Associates
Coca-Cola Company
Commercial Investment Trust Corp.
Crowell Publishing Company
Cyclone Fence Company
Detex Watchclock Corporation
A. B. Dick Company
Ditto, Inc.
Dollar Steamship Lines
Thomas A. Edison, Inc.
Egry Register Company
Equitable Life Assurance Society
Erie Railroad
Ever Ready Label Company
Felt & Tarrant Manufacturing Co.
French Line
Port of Galveston
Garden City Publishing Company
General Electric Company

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

NATION'S BUSINESS

?

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

B. F. Goodrich Rubber Company
 Goodyear Tire and Rubber Co.
 Greenbrier Hotel
 Guaranty Trust Company
 Hammermill Paper Company
 Hartford Fire Insurance Co.
 Health Cigar Company
 John Raymond Hessey
 Illinois Steel Company
 International Business Machines Co.
 International Harvester Company
 International Nickel Company
 Iron Fireman Manufacturing Co.
 John Hancock Mutual Ins. Co.
 Johns-Manville Corporation
 Kelvinator Corporation
 Kimberly-Clark Corporation
 La Salle Extension University
 Layne & Bowler, Inc.
 Leipzig Trade Fair
 Liggett & Myers Tobacco Co.
 Lumbermen's Mutual Casualty Co.
 Metropolitan Life Insurance Co.
 Multistamp Company, Inc.
 National Board of Fire Underwriters
 National Tube Company
 National Hotel Management
 New Orleans Association of Commerce
 New York Life Insurance Company
 New York Trust Company
 Package Machinery Company
 Phoenix Mutual Life Insurance Co.
 Pierce-Arrow Motor Car Company
 Pneumatic Scale Corp.
 Pressed Steel Tank Corp.
 Prudential Insurance Company
 Remington Rand, Inc.
 Reo Motor Car Company
 R. J. Reynolds Tobacco Co.
 Ronald Press
 Rosenbaum, L. N.
 Santa Fe Railroad
 Silver King Golf Balls
 Socony-Vacuum Corporation
 Trans-Atlantic Passenger Conference
 Travelers Insurance Company
 James True
 Truscon Steel Company
 United States Lines
 J. J. Walsh Company, Ltd.
 Westinghouse Electric Elevator Co.
 Westinghouse Elec. and Mfg. Co.
 A. W. Wetsel Advisory Service, Inc.
 Willard Hotel, Washington, D. C.
 H. W. Wilson Company
 Richard D. Wyckoff

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

Washington

The NRA and the Small City

(Continued from page 32)

plaints "if my competitors must all play under the same rules."

A view of the price situation from the consumer's standpoint was offered by a purchasing agent for a large corporation. Before him lay two quotations on coal. One of them, from an operator under the blanket code, quoted \$2.40 for coal which, the agent said, could have been bought for \$1.40 in July. The other, from an operator outside the code, quoted \$1.90 for the same coal.

This purchaser complained that the NRA disrupted contractual relations. He said he would sign no contracts because none could include a stipulated price. He declared further that the final result would be to centralize industry in the large centers because the wage differentials for cities and small towns were insufficient. As an example of this, he declared that one local industry had closed down and another, scheduled to open, was waiting to see what might happen.

The manager of a local factory did not share this view. His concern had added 100 employees, increased pay rolls \$8,000 a month, shortened operating hours and was running, in his opinion, as efficiently as ever. He felt, too, that his employees were spending their money.

"We supply silk hose for our girls at cost," he said. "The demand has increased proportionately much faster than our force."

A neighboring manufacturing concern had a less happy story. Operating on a piece-work basis, it had shortened hours and increased pay so that employees could make the minimum pay prescribed in the code. There was a feeling that employees were taking the minimum pay for granted and not producing as they should.

A companion complaint came from a retailer who had put on three men and increased his total pay roll 60 per cent. The change, he said, was accompanied by decreased efficiency.

Because of shortened hours, customers frequently found that favorite clerks were off when they came to shop, or that clerks who had waited on them earlier had gone when they returned for additional purchases or to make complaints. In departments where stocks moved rapidly, employees had to spend considerable time after returning from their period of absence to find out what goods they had to sell.

Another employer who had signed the code and, under it, had to add a technically-trained man to his force, was puzzled as to where to find him, while a

concern in another field was trying to work out a plan by which it could sign the code without discharging several employees. These employees had been kept on at small wages to attend to small jobs like running errands. The firm felt that it could not afford to pay them the minimum wages required and must, if it signed the code, discharge them and hire really competent workers.

Giving full cooperation

THE men who face these perplexities are not resentful or discouraged. Neither do they lack faith in the recovery program.

"I don't believe the Government intends to make me go broke," one of them said. He had signed the code and intended to abide by its terms as well as he could. He felt that this was all that was required.

A banker who had added one clerk and an elevator operator felt that he was meeting requirements less severe than those of banks in larger cities which, he said, have five or six messenger boys whose pay, when brought up to the minimum, equals that of junior clerks.

"To keep up morale, they have to raise the clerks' salaries, too," he said.

Another man who had increased his pay roll had no fault to find.

"There's too much talk against the NRA already," he said.

He was one of those who felt that it was too early to expect improvement. His own business had been good and he expected it to be better, especially if something was done for farmers.

"They've had hard times for four years," he said. "They want something they can see."

An implement dealer did not agree with this. His August business had been better than in any month for a long time. He felt that this showed a more hopeful attitude among farmers.

"If business men from the production end right through the distributing branches will only hold down prices as much as possible so as not to scare off and discourage the consumer before he has been able to get an extra dollar ahead, this thing will work," he said.

The community seemed determined to make it work. Even those who were encountering difficulties did not regard these difficulties as insurmountable. New rules, they felt, or liberal interpretation of old ones would remedy matters.

Even those who had not signed the code were not opposing it. Some explained that they did not want to sign the blanket code because approval of

HOME-STUDY BUSINESS TRAINING

Your opportunity can never be bigger than your preparation. Prepare now and reap the rewards in earlier and larger success. *Free 64-Page Book Tells How.* Write now for book you want, or mail coupon with your name and address in margin today.

- | | |
|---|--|
| <input type="checkbox"/> Higher Accountancy | <input type="checkbox"/> Business Mgmt |
| <input type="checkbox"/> Mod. Salesmanship | <input type="checkbox"/> Business Corres. |
| <input type="checkbox"/> Traffic Management | <input type="checkbox"/> Credit and Collection |
| <input type="checkbox"/> Law: Degree of LL.B. | <input type="checkbox"/> Correspondence |
| <input type="checkbox"/> Commercial Law | <input type="checkbox"/> Modern Foremanship |
| <input type="checkbox"/> Industrial Mgmt | <input type="checkbox"/> Personnel Mgmt |
| <input type="checkbox"/> Banking and Finance | <input type="checkbox"/> Expert Bookkeeping |
| <input type="checkbox"/> Telegraphy | <input type="checkbox"/> C. P. A. Coaching |
| <input type="checkbox"/> Rail. Station Mgmt | <input type="checkbox"/> Business English |
| <input type="checkbox"/> Railway Accounting | <input type="checkbox"/> Commercial Spanish |
| <input type="checkbox"/> Paper Salesmanship | <input type="checkbox"/> Effective Speaking |

LASALLE EXTENSION UNIVERSITY

Dept. 10374-R

Chicago

SAFEGUARDING FUNDS

You guard the payroll in your office. It is equally prudent to safeguard the funds your executives and salesmen carry on their travels. It is inexpensive to provide them with

AMERICAN EXPRESS TRAVELERS CHEQUES

For sale at banks and Express offices



The Political Spotlight
Home of celebrities—the axis of colorful happenings in world's most eventful city. Request rates.

The
WILLARD HOTEL

"The Residence of Presidents"
Washington, D. C.
H. P. SOMERVILLE, Managing Director

THERE'S NO NEED TO WORRY

Bristol, England, has 2,000 flourishing industries and is a busy port.

The Development Board, 1, Bristol Bridge, CAN help you. There will be something gained by writing to them.

NATION'S BUSINESS . . .

has had the benefit of 17 years' editorial experience keeping business men informed of what to expect from Government.

It is ideally equipped to help you find the answers to puzzling questions concerning the new Governmental activities. Clear and concise articles deal with every phase of the complex program for industrial recovery.

*If You Are Already A Subscriber,
Hand This Coupon to a Friend.*

NATION'S BUSINESS
Washington, D. C.

Please send NATION'S BUSINESS to me for

☐ One year
\$3.00

☐ Three years
\$7.50

Name

Address

the code for their own group was expected in a day or two. If they organized to meet the terms of the blanket code and their own code included other requirements, the whole job would want doing again. A few hesitated because they did not fully understand what was required of them.

"Some prefer to misunderstand," a critic said.

A few had joined trade associations and several had united with the local Chamber of Commerce.

Locally, the Chamber was carrying the load of NRA organization.

To it was falling duties ranging from keeping abreast of new codes to explaining to a man discharged for cause that the NRA does not guarantee him a job. Through it local groups were being brought together for discussion of the codes and agreements on local adaptations. Forty such meetings had been held in three weeks. Not all the resulting agreements were working out as hoped. In a service field a price schedule bogged down because one man refused to carry it out.

On the local Chamber fell, too, the job of setting up machinery to handle complaints of code violations. This job had not yet been attempted, but complaints were beginning to come in.

One was received against a bank. It developed that the complainant was a woman who had climbed three flights of stairs because the elevator did not answer her ring. She thought service was stopped because of the NRA.

An anonymous informant reported that a certain merchant was sending idle clerks to a store-room and counting this respite as time off in an effort to dodge code requirements. The tale was unverified.

Customers seek Blue Eagle

PUBLIC interest in the program, however, was manifested in other ways. A merchant who didn't have the Blue Eagle reported that he frequently had to explain why not. Another man told of refusing to purchase goods because the salesman's proposition indicated that his company was not living up to the code.

Two partners who operated a gasoline station and felt that they could not afford to hire another man to meet NRA requirements, reported that they were beginning to feel the pinch.

"Tourists are looking for the Blue Eagle," they said, "and won't stop unless they see it."

"You've got to use common sense," said the man who told their story. "The idea is to help business, not kill it."

That seems to be the general interpretation of the NRA program in this community.

"You are to do the best you reasonably can."

Some men insist on doing more.

In a shop on a side street an employer had before him the blanket code, a code drafted locally for his industry, and a code prepared by his national association. The latter two had not been approved. He had not signed the blanket code, and could not meet the terms of any of them.

"If I pay these wages," he said, pointing to his industry's code, "I'll have to raise my prices 100 per cent."

He pointed to the blanket code.

"I'm paying better wages than these right now," he said, "but I'm working longer hours. If I sign, I'll have to put on an extra man and I haven't enough work to support him. Even if I could, I couldn't find a skilled workman in my line in town."

"Why don't you sign the thing, then," his foreman said. "And forget it. You can't hire a man if there's none to be had."

The employer laid down his papers and looked the foreman in the eye.

"I've been in business here 40 years," he said. "People know that when I make a promise, I keep it. When I sign this paper, I'm going to do just what it says I'm going to do."

Winter Construction

WITH many men obtaining work for the first time in two or three years at the many construction projects under the Public Works Act, it is worth while examining the old bogey which well-nigh bars construction work in the cold months. This old custom may put thousands of men out of work again after their short taste of employment, crimp the country's purchasing power, and possibly arrest, at least temporarily, recovery.

Custom, rather than climate, is largely responsible for the seasonal idleness in the construction industries, according to the Portland Cement Association. Contrary to popular belief, bad weather is not the principal cause of variations in employment from month to month. Seasonal idleness is not confined to regions where climate is severe.

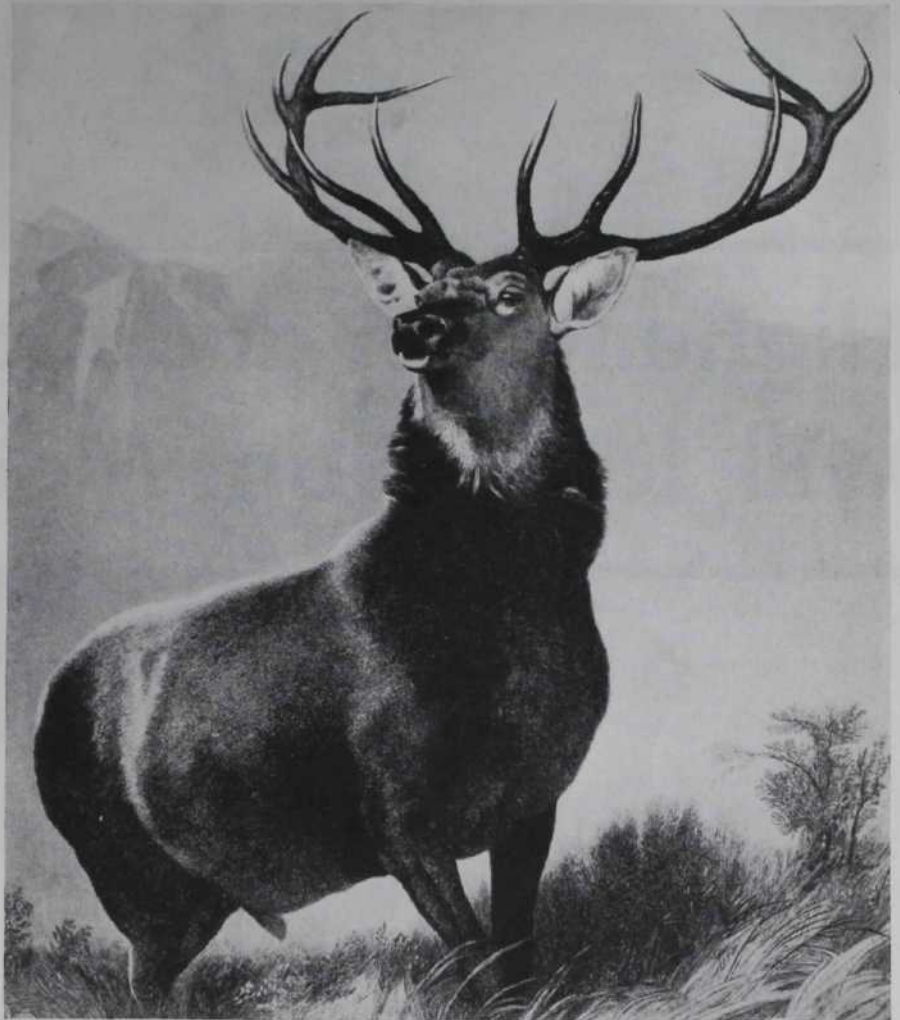
Construction, including the pouring of concrete, has advanced to the point where concrete can be poured throughout nearly the entire country for almost all types of construction as well and as cheaply in winter as in summer.

The cost of labor in winter per unit of work may under first-class management be actually less than the cost at other times. The more efficient workers are usually available during the slack season and they, of course, are able to do a better job in less time. This is either reflected as a net saving or at least balances any extra cost that may be incurred by winter construction, such as heating the green concrete.

On guard—through the years from 1810 to 1933

Millions upon millions of property values are today safeguarded by Hartford policies. Organized in 1810 to offer protection to property owners against loss by fire, the HARTFORD has constantly broadened its service until today it offers protection against a multitude of modern hazards.

From every depression, war, hurricane and conflagration during these 123 years the HARTFORD has emerged stronger, more firmly entrenched than before.



© H. F. I. CO. '33

Because of this unbroken record of safety and security we invite you to consult with the Hartford Agent in your town.* He can diagnose your insurance needs and give you HARTFORD protection for all of them.

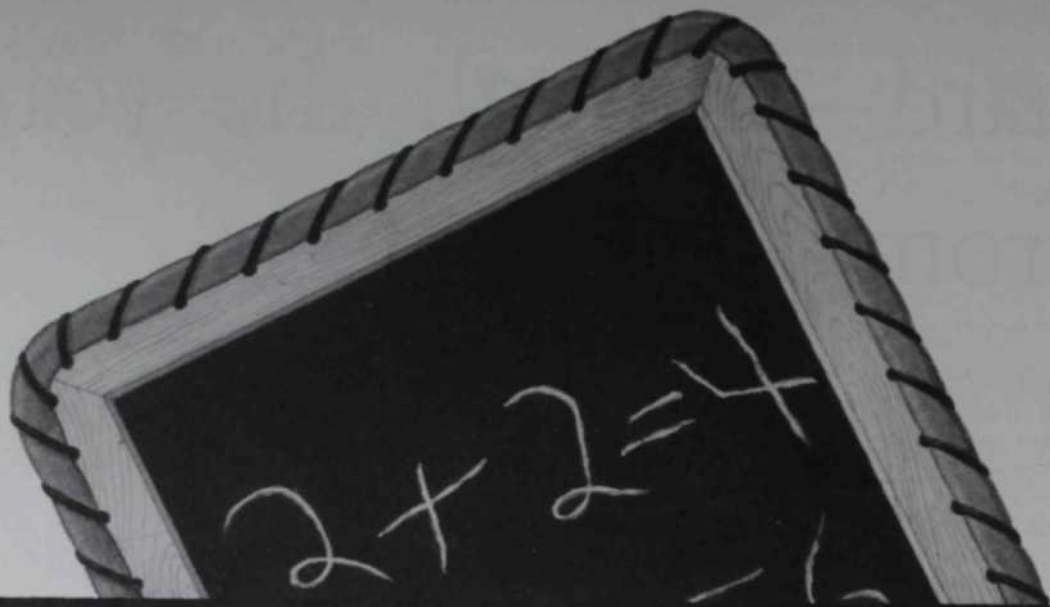
The resources of the HARTFORD are set forth in detail in our 123d annual statement. We shall be pleased to send a copy of it to you upon receipt of your request, addressed to the Hartford Fire Insurance Company, Hartford, Conn.

THE HARTFORD FIRE INSURANCE COMPANY
AND THE HARTFORD ACCIDENT AND INDEMNITY CO.

**If you do not know the name of the Hartford Agent look under "Hartford" in your telephone book. If he isn't listed, write the Hartford Fire Insurance Company, Hartford, Conn.*

WRITE PRACTICALLY EVERY FORM OF INSURANCE EXCEPT LIFE

When phoning a HARTFORD agent please mention Nation's Business



Higher labor and material costs will force Plant Modernization



BANKERS TO
INDUSTRY
EVERYWHERE



The deadweight load of obsolete machinery and equipment becomes increasingly expensive to carry. In ever so many lines there are new machines waiting which do a job faster, save in power or raw material. It is time to recheck your plant equipment facing today's facts.

Sound purchasers need not impair working capital; for C.I.T. Finance Service to the equipment seller enables him to offer long terms to responsible companies—terms which permit payment to be carried out while deriving advantage in competition from using the improved equipment.

COMMERCIAL INVESTMENT TRUST INCORPORATED

Executive Offices: One Park Ave., New York

Affiliated Operating Companies with Head Offices in New York — Chicago — San Francisco — Toronto, Canada.
Also Completely Functioning Local Finance Offices in the Principal Cities

Unit of COMMERCIAL INVESTMENT TRUST CORPORATION—CAPITAL AND SURPLUS OVER \$70,000,000

When phoning a C. I. T. office please mention Nation's Business

What Bankers and Investors Discuss

★ THE MEN who deal in money—in New York, in Chicago, in St. Louis, in Cleveland—had plenty to think about in the early fall of 1933. With business still gaining, but gaining at an apparently slower rate, they were urged by Government to be increasingly liberal in their loans to industry. Business was saying to the Administration:

"We have joined up under the Blue Eagle; we have faith in the NRA. For the common good we are adding to our overhead by shortening hours, hiring more men and raising wages. But while prices and consumption are improving, they have not kept pace with our added burdens. We need to be tided over. If the banks can't or won't help us we must look to Government."

A program for lending

IN LATE August Jesse H. Jones, Chairman of the Reconstruction Finance Corporation, went to Hyde Park where President Roosevelt directed him to work out a program whereby the banks should extend credit to subscribers to NRA who found themselves needing help to tide over the increase in work and wages.

Mr. Jones hurried back to Washington to find his outer office filled with business men who wanted to know how soon they could borrow some money. Mr. Jones hadn't the answer ready, but a few days later he hastened to Chicago to attend the meeting of the American Bankers Association and there to make a direct plea to the bankers to help the members of NRA. One way he suggested was to issue and sell to the R. F. C. preferred stock in their banks, thus increasing their capital. As Mr. Jones phrased it:

"A man with plenty of chips can play a better game of poker than one who is playing 'scared' or 'short' money."

More bank capital

MR. JONES' speech made the bankers sit up. "Mingled consternation and amazement" was the phrase of one reporter. They "listened in silence" said another newspaper attendant at the meeting. I can understand the puzzled

state of mind of any banker who heard from a government official these statements:

We will probably find that if and when new banking legislation is obtained, deposits in addition to being insured will be limited in some safe proportion to unimpaired capital. Both should be the law. . . .

Ample bank capital obviously is the best and cheapest deposit insurance, and the Government, in cooperation with bank stockholders, offers to provide it—not as much as may be necessary in some instances, but supplementary and practically without limit where it can be on a sound basis. . . .

Those of you who think you are going to get rid of deposit insurance at the next session of Congress simply do not know your Congress. . . .

I would like to see every bank in the United States become an honor bank, a double-eagle bank, a bank in which the United States Government had direct stock interest, not as a permanent matter, but until we have entirely forgotten the evils, the tragedies and the heartaches that have followed bank closings. . . .

It is easy to say "no," and if that is the program and we want the Government to do our banking, what is to become of our high-priced bank talent? The office boy can say "no," and the note teller can collect the notes if they are good.

While Mr. Jones talked to the bankers face to face, President Roosevelt sent them a message wishing he could be with them and expressing his confidence that "you will work with me to meet the credit needs of industry and trade."

Opposed deposit insurance

THE bankers rather gingerly favored the idea of taking the Government into partnership by selling preferred stock to the Government, but quite positively asked that deposit insurance be postponed since it might result in "the suspension and liquidation of some thousands of banks."

Any one can say "yes"

MR. JONES says that any office boy can say "no." Isn't it just as easy to say "yes"? The depositor—and in this controversy between the bankers and the Government, he is in danger of be-

coming the forgotten man—might like a banker who can say "no."

Probably the bankers weren't disturbed by Mr. Jones' suggestion that the office boy could say "no," but at least they took some precautions by putting an article against child labor in their code of fair competition for banks.

Yes and no

SUGGESTED for a debate at a High School Forum:

"Has more harm been done by bankers who said 'yes' or by bankers who said 'no'?"

Frozen and solvent

THIS statement by Mr. Jones challenged the attention of bankers:

"By no stretch of the imagination can a solvent bank need more than 50 per cent liquidity and 40 per cent should be aplenty."

To be 50 per cent liquid might be entirely adequate in normal times, but to be 50 per cent liquid isn't enough when the public mind is uneasy and the bank's depositors all want their money at once.

On the day following the Jones address, Controller of the Currency James F. T. O'Connor at the bankers' meeting announced the directors of the Deposit Insurance Corporation.

The bank which accepts Mr. Jones' 40 per cent liquidity suggestion as a guide may find that Mr. O'Connor and his associates on the new corporation have a different idea when banks seek to have deposits guaranteed.

The money problem

THESE questions are sure to be asked of a visitor from Washington to any bank office these days.

What are the prospects of inflation? What do you know about the flight of the dollar?

The best answer to the first is a head-shake and an owlish look, inscrutable, deep, as if President Roosevelt had told you his innermost secrets and you'd promised not to reveal them. There isn't any other answer. As statesmen flock back to Washington to get

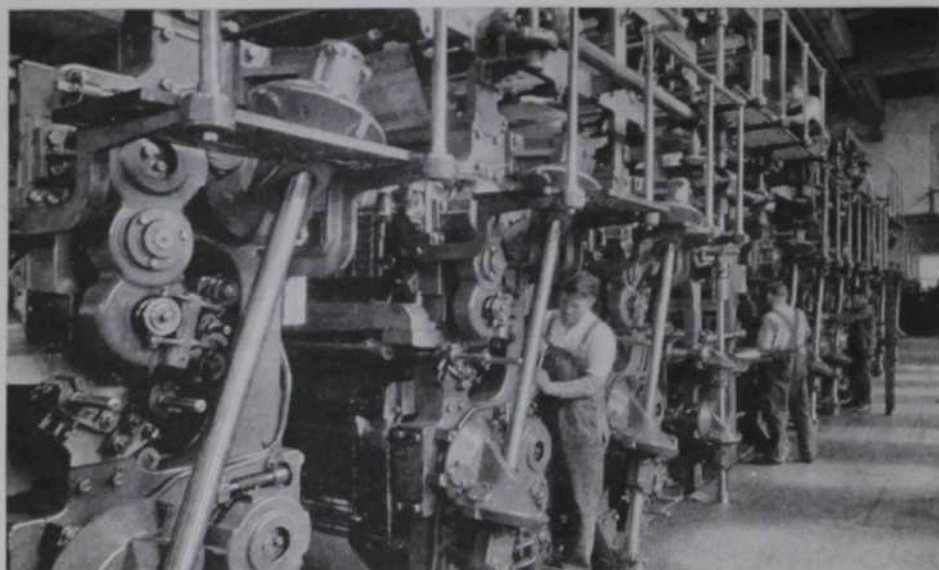
ALEMITE HIGH PRESSURE LUBRICATION SYSTEMS PLUS ALEMITE LUBRICANTS
BRING SAVINGS AND EXTRA PROFITS TO EVERY INDUSTRY!

ALEMITE

LUBRICATION

ADDS WINGS *to the*

DAILY NEWS!



View of Hoe presses in Chicago Daily News main plant. Operator can be seen in foreground lubricating bearing with Alemite Z-3-G hand compressor

One of the highest speed production operations known to manufacturing is the printing of your daily papers. Yet for many years unexpected breakdowns, due to faulty lubrication, made speedy printing an uncertainty. Today Alemite High Pressure Lubrication Systems PLUS Special Alemite Lubricants have reduced breakdowns to their present irreducible minimum, in all phases of printing.

A recent triumph in this field is Alemite's No. 38 Lubricant for presses. Made with a sodium base, a special operation makes it extremely smooth. Especially serviceable in ex-

tremes of temperatures and moisture, for anti-friction bearings!

The greatest producers of fine printing equipment have standardized on Alemite Lubrication, as well as the largest newspapers and printing plants. Alemite Lubrication Systems PLUS Alemite Industrial Lubricants offer savings in maintenance costs, reduced breakdowns and repair bills in every line of manufacture. Without obligation, will you request Alemite to prove to you the savings it can effect in your establishment? Alemite Corp. (Division of Stewart-Warner), 1886 Diversey Parkway, Chicago, Ill.

ready for the winter session there will be more and more pressure on the President to do something, to do nothing, to issue greenbacks, to cut the gold value of the dollar, to restore silver. And the smiling Mr. Roosevelt will listen to all and in the end do what he and "his closest advisers" agree on. Who those "closest advisers" are no two men in Washington will agree.

The answer to the second question should be "No more than I read in the papers."

That's safe, for not much has been printed though there is genuine concern over the tendency of American money to go abroad or to stay abroad.

The amounts are uncertain. There have been statements from abroad that a billion has left the United States. Probably exaggerated, although most bankers agree that large amounts have been expatriated.

No place for money

I ASKED a caller at the office of NATION'S BUSINESS recently what subject that might be discussed in the magazine would be of most interest to him.

His answer was prompt:

"I'd like to read an article that might be called: 'What shall I do with my money?'"

I repeated the question later to a man in one of America's great banking houses.

"I'd hesitate to answer that question," he said. "I don't know what to do with my money except to leave it in the bank and wait and see what happens."

More money than confidence

NO DOUBT the banks have money to lend. At the end of August the New York Times said:

Under the pressure of Federal Reserve purchases of United States Government securities in the open market member bank reserves have been lifted to a point where they are over \$600,000,000 in excess of requirements.

Most of this excess lies outside of New York City, but local banks have experienced a steady rise in their excess reserves in the last few weeks and now hold about \$150,000,000 above their reserve requirements.

Already surfeited with funds for which they can find no satisfactory employment, the banks are faced with the prospect of augmented reserves through the increased rate of open-market operations adopted by the Reserve Banks last week.

But it takes more than a mere plentitude of money in the vault to start banks lending.

It takes confidence and confidence also on the part of the depositor that his banker can at the right time say "no" as well as "yes."

PIONEERS IN SCIENTIFIC LUBRICATION FOR INDUSTRY

When writing to ALEMITE CORPORATION please mention Nation's Business

The Business Bookshelf

★ THE march of legislative events has thrust into the foreground many questions of vital importance to business. For good or ill, Government is having much more to do with business affairs, whether it is political government or self-government and the business man cannot well afford to ignore either.

In "Degenerate Democracy,"¹ Henry S. McKee, dealing with the first question, points out some of the weaknesses of political government and its failure to come to grips with the perplexing economic questions now confronting the country. He concludes that political management of our national affairs had much to do with bringing us to our present predicament, largely because political management has been left to the politicians while the managers have been busy with other things. As a way out he suggests that there be a closer union between politics and management in the conduct of national affairs.

The other phase of government—self-government or self-regulation—is the subject of a book by Edgar L. Heermance, which attempts to answer the question, "Can Business Govern Itself?"² It is a review, from a practical standpoint, of the attempts business itself has made to govern itself, together with an appraisal of the efficacy of these efforts. It is an approach to industrial planning from the bottom up, instead of from the top down, covering much of the ground that must be gone over by trade groups organized to carry out the purposes of the Industrial Recovery Act. The book has an introduction by Gilbert H. Montague.

Millard E. Tydings, United States Senator from Maryland, carries the discussion into international fields in his book, "Counter-Attack."³ In the brief scope of 140 pocket-size pages, he manages to define what he believes is a workable salvation for a beleaguered democracy.

Just beyond our trenches, he says, the army of depression is encamped; its four great captains, Tariffs and Embargo, Depreciated Currency, War Debts and Armament, counseling with one another to achieve our complete de-



Nearly a Century of Service to American Business

During the last century, in which epoch-making advances in many fields have taken place, banking has progressively developed its services to meet the requirements of expanding industry.

This Bank, with a record of 94 years of service to the business interests of the country, affords its commercial and other customers now, as in the past, the advantages of long experience, ample resources, and complete facilities.

GUARANTY TRUST COMPANY OF NEW YORK

140 BROADWAY

FIFTH AVENUE at 44TH STREET MADISON AVENUE at 60TH STREET

LONDON PARIS BRUSSELS LIVERPOOL HAVRE ANTWERP

¹Degenerate Democracy, by Henry S. McKee; The Thomas Y. Crowell Company, New York City

²Can Business Govern Itself? by Edgar L. Heermance; Harper and Brothers, New York City

³Counter-Attack, by U. S. Senator Millard E. Tydings; Bobbs-Merrill, Indianapolis



SHORT ROUTE TO THE ORIENT

\$160 Tourist

First Class \$285

Business men who "commute" to the Orient discovered the short route on famous President Liners. A sailing every other Saturday from Seattle and Victoria, B. C. • All President Liner staterooms are *outside* with deep-sprung beds, not berths. The food is unsurpassed.

Round the World (from Seattle) \$745 First Class all the way; \$625 Tourist Class trans-Pacific, First Class beyond. Go as you please, stopover when and where you like. Continue on the next or another President Liner.

AMERICAN MAIL *Line*

Offices in New York City, Chicago, San Francisco, Los Angeles, Seattle, and other principal cities. Or see your own travel agent.

SERIES "A" PITCHED ROOF TYPES



TYPE-1



TYPE-2



TYPE-3



TYPE-3-M



TYPE-4



SAWTOOTH TYPE

Industrial Buildings

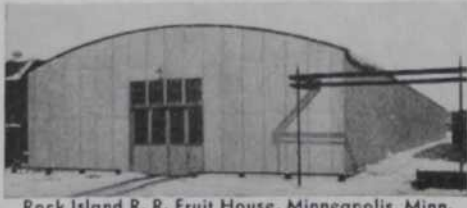
New Designs Prompt Delivery



Alloy Metal Wire Co., Moore, Pa.



Massey Concrete Products Corp., Clearing, Ill.



Rock Island R. R. Fruit House, Minneapolis, Minn.

Truscon now offers unusual values in permanent, firesafe, standardized Buildings, completely erected, in sizes, types and arrangements to meet all needs.

Insulated Walls and Roofs

If required, we furnish "FERROCLAD" WALLS, about 1-inch thick, faced on both sides with tough galvanized steel, having great structural strength and giving heat and cold protection equal to a 12-inch masonry wall and STEEL-DECK ROOFS light in weight, insulated to any degree and waterproofed.

Write for literature, suggestions and prices.

TRUSCON STEEL COMPANY
YOUNGSTOWN, OHIO
Engineering Offices in all Principal Cities

Cross Section of Insulated
Wall Construction

SERIES "B" FLAT ROOF TYPES



TYPE-1



TYPE-2



TYPE-3



TYPE-3-M



TYPE-4

TYPE-4-M with Machine

feat. "No amount of purely internal rehabilitation and revitalization can seriously stop the advance of the foe."

On the eve of the decisive engagement which he believes imminent, the author counsels the American people to take thought of the rise of the United States as a lending nation, the effects of an excess of exports over imports on international debts, the meaning of depreciated currencies on foreign trade, the consequences of insisting on gold payments of loans and trade balances, the significance of commodity surpluses and the world-wide glut of labor.

We must buy if we sell

AS FOR tariffs and embargos, "We have only two choices. We must buy from other nations if we want to sell to them; or we must be content neither to buy nor sell and depend upon our own country entirely. This second choice is the one we have been pursuing in the last two or three years and there has been no magic of prosperity for us through an adherence to that policy."

In his considerations of depreciated currency, he concedes that "Sound argument can no doubt be made against a policy of fixing the exchange value of gold and silver at a definite ratio; such a contention is not argued either pro or con here." More important from his point of view is the fact that "the dumping of silver monetary stocks has hurt trade between gold and silver countries, a lost trade which is sorely needed now in these days of world-wide depression."

Proceeding from the premise that "private loans are private business" and "war debts are governmental business and that means the business of every man, woman and child in this nation," Senator Tydings asserts that "war debts are a prime problem of Government, for these debts are owed to it. To a lesser extent we must henceforth exercise some sovereignty over private loans to foreign governments, or else these private loans may eventually become as questionable in repayment as war debts are at the moment."

Senator Tydings sees no fact to support the idea that armaments alone cause wars, though he tempers this conclusion with admitting that "their very existence on a war-size scale is indicative that for some reason nations feel a resort to war is not unlikely." Pending a reduction of land and sea forces by other countries comparable to that already effected by the United States, he believes "it is imperative that American citizens desiring to lend money abroad examine with more care the use for and worth of such investments in the future."

Reading between the Senator's lines, it is possible to believe that he is appraising the power of a democracy to cope with a situation which requires action rather than argument.

Index of Advertisers

OCTOBER · 1933

	PAGE		PAGE
A. P. W. Paper Company.....	6	General Electric Company (Edison Mazda Lamps).....	56
Addressograph-Multigraph Corporation.....	31	Goodrich, B. F. Rubber Co.....	4
Alemite Corporation.....	80	Goodyear Tire & Rubber Co., Inc.	10
Alexander Hamilton Institute	9	Guaranty Trust Company.....	81
Aluminum Company.....	34-35	Hammermill Paper Company	60-61
American District Telegraph Company.....	70	Hartford Fire Insurance Com- pany.....	77
American Express Company.....	76	International Business Ma- chines Corporation.....	53
American Mail Line.....	82	International Nickel Company	59
American-South African Line, Inc.	55	Iron Fireman Mfg. Company	54
American Telephone & Tele- graph Co.....	71-2nd Cov.	John Hancock Mutual Life Insurance Company.....	72
American Tobacco Co.....	4th Cov.	Kimberly-Clark Corporation.....	36
Babson Statistical Organiza- tion.....	66	La Salle Extension University	76
Bakelite Corporation.....	52	Layne & Bowler, Inc.....	7
Boston Wharf Company.....	73	Lumbermen's Mutual Casual- ty Company.....	66
Bristol Development Board.....	76	Metropolitan Life Insurance Company.....	41
Brown Company.....	58	Mutual Fire Insurance.....	84
Burroughs Adding Machine Company.....	39	National Board of Fire Under- writers.....	57
Chesapeake & Ohio.....	8	Package Machinery Company	49
Coca-Cola Co., The.....	69	Phoenix Mutual Life Insur- ance Company.....	3
Commercial Investment Trust Company.....	78	Pierce-Arrow Motor Car Co.	48
Cyclone Fence Company.....	83	Pneumatic Scale Corporation	43
Detex Watchclock Corpora- tion.....	42	Prudential Insurance Co. of America.....	68
Dick, A. B. Company.....	2	Remington Rand, Inc.....	47
Ditto, Inc.....	51	Reynolds, R. J., Tobacco Co.	33
Dollar Steamship Lines.....	63	Ronald Press Company, The	63-72
Edison, Thos. A., Inc.....	67	Rosenbaum, L. N.	67
Egry Register Company.....	46	Truscon Steel Company.....	64-82
Equitable Life Assurance So- ciety.....	65	Westinghouse Electric Ele- vator Company.....	3rd Cov.
Ever Ready Label Corp.....	66	Willard Hotel.....	76
Felt & Tarrant Mfg. Co.....	45	Wilson, H. W., Company.....	83
French Line.....	12		
Garden City Publishing Co.....	1		

Increased production needs

INCREASED PROTECTION

THE wheels of industry, turning at increasing speed, incur the need for efficient property protection. Prevention of theft and petty pilfering and the safeguarding of valuable property are serious problems that demand an immediate and effective answer.

Solve them easily and economically by the installation of dependable Cyclone Fence. Made of copper steel, heavily galvanized to resist rust and available in a variety of styles.



Quickly erected by factory trained men if you desire. The complete facts are worth having, write for them today. Dept. N.

Cyclone Fence

Cyclone Fence Company

General Offices: Waukegan, Illinois
SUBSIDIARY OF UNITED STATES STEEL CORPORATION
BRANCHES IN PRINCIPAL CITIES

Pacific Coast Division:

Standard Fence Company
Oakland, Cal.



Cyclone—not a "type" of fence, but fence made exclusively by Cyclone Fence Company and identified by this trade-mark.



EXECUTIVES in advertising, publicity and promotion, Editors of house organs and trade papers—you will find a thousand uses for this new book.



"HARD-TO-FIND" FACTS MADE EASY

Who made the first soda fountain, motorcycle, canned soup, etc. in U. S.? Where? When?

For the first time you can find the answers to these questions and nearly 2,500 others in this remarkable book. "More fascinating than the dictionary... something new. Everything from (A) first abdominal operation to (Z) first zinc sheet mill."—New York Times.

A Record of the First Happenings, Discoveries and Inventions in the U. S. by Joseph Nathan Kane. Cloth bound. 757 Pages. Illustrated, \$3.50 Postpaid.

H. W. WILSON CO., 950-72 University Ave., N. Y.



Property Owners began

to save money *this way*
in 1752....

MUTUAL fire insurance is a 1752 idea—yet it saved \$46,000,000 of property owners' money in 1932.

Never in this long history of 180 years has this sound, oldest form of protection appealed more strongly than right now.

It's a difficult time to handle property successfully. The saving offered by *mutual* insurance is one favorable factor to counterbalance many unfavorable ones.

There is no mystery about how a *mutual* company is able to return savings to policyholders. It is simply a matter of care in selecting risks; operating as economically as possible and above all helping property owners avoid fires.

The policyholders of the 74

companies comprising the Federation of Mutual Fire Insurance Companies include many of the leading property owners of America. The Federation represents *selected mutual fire insurance*. The average age of these companies is fifty years.



This Seal identifies a member company of The Federation of Mutual Fire Insurance Companies and the American Mutual Alliance.

Federation companies have returned over \$125,000,000 to policyholders in the past ten years, in addition to maintaining full legal reserves and paying all just claims properly.

If you are interested in protecting your property in legal reserve *mutual* organizations of proven stability—with the highest standards of service—with a long record of saving for policyholders, write today for a list of Federation companies.

MUTUAL FIRE INSURANCE An American Institution

WRITE FOR THIS BOOKLET-----

NB-O

Federation of Mutual Fire Insurance Companies,
230 North Michigan Avenue, Chicago, Illinois.

Gentlemen: Kindly send me a list of Federation companies—also a full explanation of the operation and benefits of *mutual* fire insurance.

Name _____

Address _____



THE MUTUAL PLAN HAS OPERATED SUCCESSFULLY FOR 180 YEARS

When writing to FEDERATION OF MUTUAL FIRE INSURANCE COMPANIES please mention Nation's Business

*An Outstanding Building Achievement of 1933
with New Westinghouse Full Automatic Elevators*

The new Bankers Trust Building of New York—where Westinghouse elevators serve impressively—where greater smoothness, quietness and accuracy demonstrate the modern conception of fine elevators, such as are built by Westinghouse. *From the smallest engineering detail to the largest—exclusive features give added excellence to Westinghouse service as part of modernized older buildings or in new structures of highest reputation.



WESTINGHOUSE

ELEVATORS



Westinghouse Electric Elevator Company

From Start to Finish



“It's toasted”

Copy, 1931.
The American
Tobacco Company